



MACROECONOMIC SNAPSHOT

PSE COMPOSITE INDEX

13 September 2013 Close : 6,133.24 Change : 62.37 (1.01%)



Source: PSE

BSP seen under pressure to hike rates

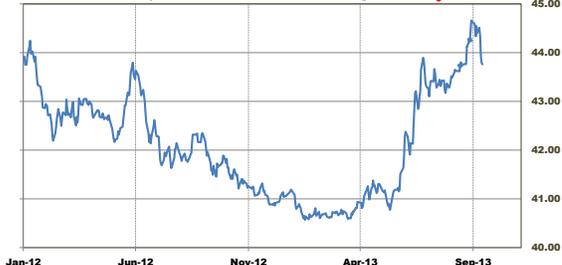
The Bangko Sentral ng Pilipinas (BSP) may be preparing the market for a hike in interest rates to combat price pressures that have started to crop up, as suggested by its "hawkish" tone following its policy stance meeting last week. Financial giant Citi over the weekend likewise warned that the Philippine economy could exit the so-called "sweet spot" anytime soon, after it greatly benefited from high growth rates and low inflation. (Philippine Daily Inquirer)



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Peso-US Dollar Rate

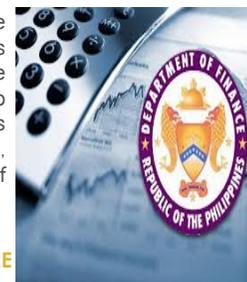
13 September 2013 Close : 43.76 Change : 0.03



Source: BSP

Car industry roadmap must conform with fiscal incentives — DOF

The Department of Finance said the proposed roadmap for the automotive industry should conform with the latest fiscal incentives rationalization bill to balance the efforts of the government to, entice more car manufacturers to set up shop in the country and to shore up state coffers. Finance Undersecretary Jeremias N. Paul Jr., who is tasked with forecasting and programming revenues of the government, said "any incentive for the auto industry should be within the ambit of the fiscal incentives reform bill." (Philippine Star)



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Inflation Rate

August 2013 : 2.1% Change : 0.4



Source: BSP

FINANCIAL TRENDS

Stocks expected to trade within range this week

Philippine stocks are expected to trade at a range this week, moving alongside numerous unfolding events here and abroad. The recent rally in the stock market has strengthened the support level of the bellwether index at the 6,000 territory, analysts said. (Philippine Star)



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KEY INTEREST RATES

Overnight Lending, RP	5.50%
Overnight Borrowing, RRP	3.50%
91 Day T Bill Rates	0.67%
Interbank Call Loan Rate	2.00%

GLOBAL WATCHLIST



Investing locally vs investing globally

With the anticipation of tapering in the US, Emerging markets have experienced slowdown in economic activity with decline in stock market activities and weakened currencies. (Bloomberg.com)

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INDUSTRY BUZZ

LOCAL

Perks sought for auto industry

The head of the Japanese Chamber of Commerce and Industry of the Philippines Inc. has urged the government to extend the much needed incentives meant to revitalize the local automotive industry. According to JCCIP president Takashi Ishigami, these incentives are needed to keep the sector more competitive especially by 2015, when the economies of the 10- member states of the Association of Southeast Asian Nations would be integrated. The integration will mean freer flow of goods, services and workforce across the Asean countries. (Philippine Daily Inquirer)



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INTERNATIONAL

European customers to benefit from discounts and deals

The European car market may be slowly showing signs of stabilizing after years of crisis but cut-throat price wars still offer car buyers the chance to snap up a bargain. When manufacturers lift the wraps on a flurry of new models at the IAA auto show, which opened in Frankfurt Thursday, customers stand to benefit once again as automakers slash prices even further, analysts said. (Philippine Daily Inquirer)



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