

KEY INTEREST RATES

Overnight Lending, RP	5.50%
Overnight Borrowing, RRP	3.50%
91 Day T Bill Rates	0.67%
Interbank Call Loan Rate	2.03%

GLOBAL WATCHLIST



What You're Really Getting when you buy BRICS

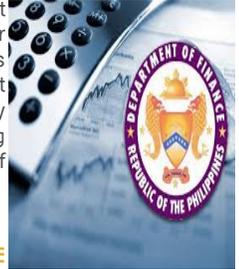
JPMorgan Funds Global Market Strategist Andres Garcia-Amaya and Bloomberg's Adam Johnson look at investing in emerging markets. When investing at BRIC markets, one must identify its country-level economy, composition level and gains. (Bloomberg.com)

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MACROECONOMIC SNAPSHOT

Fiscal reforms help cut gov't debt

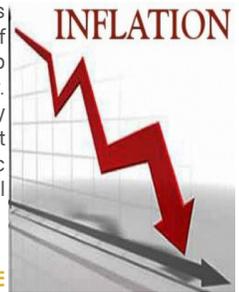
Government borrowings posted double-digit decline in the first eight months of 2013 from a year ago, as fiscal reforms implemented over the years helped the country become less dependent on credit, officials said. Data from the Department of Finance showed that the government borrowed P446.28 billion in January to August, down year-on-year by 12.5 percent. Proceeds of the borrowings were used to pay maturing obligations and support expenditure requirements that were in excess of tax collection and other types of revenues. (Philippine Daily Inquirer)



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BSP ready with tools to head off inflation

The Bangko Sentral ng Pilipinas (BSP) has the proper monetary tools in place to counter any inflationary pressures that may arise because of the expected influx of foreign portfolio investments or "hot money" into the country, BSP Governor Amando M. Tetangco Jr. said yesterday. "Should the reflow of foreign capital pose challenges to liquidity management, we have the tools in place to ensure that it does not create inflationary pressures," Tetangco said. "Prudent macroeconomic policies and careful communication with the markets and the public will continue to be the key elements of our policy responses," he added. (Philippine Star)



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FINANCIAL TRENDS

US debt concerns sideline investors

The local stock market was closed Tuesday for a national holiday as investors turned cautious ahead of the Oct. 17 deadline for the United States to raise its debt ceiling and avoid a debt default. On Monday, the main-share Philippine Stock Exchange index lost 47.1 points or 0.73 percent to close at 6,442.70 in thin trade. (Philippine Daily Inquirer)



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INDUSTRY BUZZ

LOCAL

Manganese in fuel stirs industry reactions

The formal re-entry of the Volkswagen brand in the Philippines was spiced up by a statement from Automobile Central Enterprise Inc. (Acei), the official Philippine distributor of Volkswagen in the Philippines. During a Sept. 23 roundtable discussion with members of the local automotive media, Acei declared that, for the time being, it would only bring in diesel-powered variants, as the entry of its gasoline-powered vehicles would be delayed due to the presence of manganese in gasoline sampled in the country. (Philippine Daily Inquirer)



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INTERNATIONAL

Berjaya PH acquires 69.74% of H.R. Owen PLC

Berjaya Philippines Inc. has acquired 69.74% of H.R. Owen PLC's issued and outstanding capital today. Following the said acquisition, Berjaya Philippines will have a controlling stake over the British dealership. H.R. Owen was established in 1932 as a car dealer in United Kingdom. The company went through a series of different owners prior the Berjaya Philippines acquisition. (Autoindustriya)



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