

# OVERDRIVE

AVID Sales Performance & Outlook

March 2012 Volume 1 No 11

## AVID Q1 SALES PERFORMANCE UP BY 38%

“Moving along a predominantly optimistic business and economic scenario, AVID members’ sales performance remain on an upswing. We anticipate this trend to continue as we move into the second quarter of 2012.”

**Ms. Maria Fe Perez-Agudo**  
President, Association of Vehicle Importers and Distributors, Inc. (AVID)

### PERFORMANCE & DRIVERS

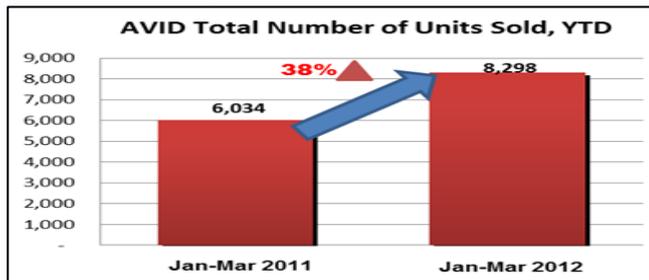
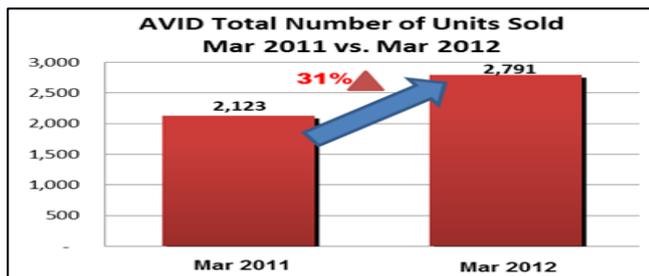
The Association of Vehicle Importers and Distributors (AVID) registers a 38% increase for the first 3 months of the year with sales of 8,298 units versus the 6,034 units sold in the same period last year. AVID members’ sales of Passenger car (PC) vehicles greatly contributed to this boost showing a 95% surge in sales with 5,202 units sold compared to 2,674 of the previous year’s January to March. In the same period, HARI sold 6,767 units contributing to the overall winning performance of AVID.

In March 2012 alone, 1,621 units in the PC segment were sold versus last year’s 813 units, posting a 99% surge in sales. Total sales for March shows 31% growth with sales of 2,791 units as opposed to 2,123 in March 2011.

### OUTLOOK

Consumer demand is expected to remain strong as Filipino consumer expectations continue to improve, according to the BSP Consumer Expectations Survey. Key factors such as the availability of jobs, increases in salary, government policies on good governance, sustained investment inflows, and appreciation of the peso contributed to the more positive outlook. Respondents considered the current quarter and the year ahead as a favorable time to buy consumer durables.

AVID Members	Sales Volume (in units)					
	Mar-11	Mar-12	% Change	1st Qtr.-11	1st Qtr.-12	% Change
British United	9	17	89%	24	48	100%
CATS Motors	103	58	-44%	267	178	-33%
HARI	1,633	2,245	37%	4,712	6,767	44%
PGA Cars	25	35	40%	109	86	-21%
Scandinavian Motors	20	18	-10%	65	56	-14%
Motor Image	105	124	18%	310	297	-4%
TCCCI	228	294	29%	547	866	58%
<b>TOTAL</b>	<b>2,123</b>	<b>2,791</b>	<b>31%</b>	<b>6,034</b>	<b>8,298</b>	<b>38%</b>



## Economic Outlook

The Asian Development Bank initially forecasted a 4.2% growth in the Philippine economy this year and revised it to 4.8%. Main drivers of the economy will be household consumption due to dollar remittances abroad, stable prices and lending rates. The government also plays an important role as it increases its public infrastructure spending and planned public-private partnerships. “Remittances and lower inflation will sustain private consumption, and strong business sentiment will continue to support private investment. A pickup in public investment and accommodative monetary policy will also aid the Philippine economy,” said Neeraj Jain, ADB’s Country Director for the Philippines.

Source: <http://www.adb.org/news/philippine-economy-rebound-48-2012-adb-report>

Indicator	2011	Current	2012f
GDP (%)	3.7	3.7 (Q4 '11)	4.2*
Inflation Ave (%)	4.5	3.1 (Jan-March)	3.5*
FX Ave (Peso-US\$)	43.3	42.9 (March)	43.0-45.0**
91-day T-bill Ave (%)	1.6	1.9 (Jan-March)	4.0**
Remittances (US\$B)	20.1	3.1 (Jan-Feb)	21.1**

\*Average consensus forecast (BSP, WB, IMF, ADB)

\*\*Government forecasts

