

OVERDRIVE

AVID Sales Performance & Outlook

August 2012 Volume 1 No 11

AVID POSTS 24% GROWTH IN JANUARY TO AUGUST 2012

PC Sales Up by 50%

“AVID continues to drive industry growth through its consistent, positive growth in total sales figures for the first eight months of 2012. We expect the demand for AVID members’ best-selling PCs to accelerate our sales performance, now that the traditional season for OFW remittances begins—a trend that we expect to remain for the remaining months of the year. With our beefed-up portfolio of products and services, AVID is more than ready to respond to the ever-growing clamor for our products.”

Ms. Ma. Fe Perez-Agudo

President, Association of Vehicle Importers and Distributors

PERFORMANCE & DRIVERS

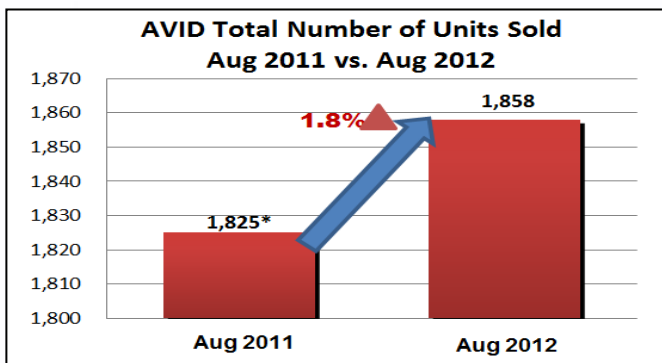
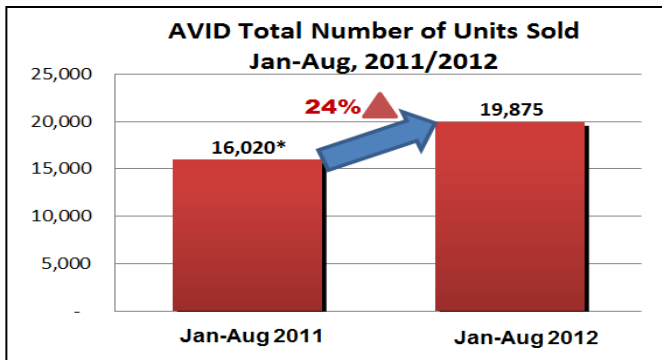
The Association of Vehicle Importers and Distributors (AVID) registered 24% growth in total sales with 19,875 units sold in the first eight months of the year versus 16,020 units in the same period last year. January-August 2012 also posted an increase in the Passenger Car (PC) segment, driving overall sales up by 50% to 12,049 units sold compared to 8,047 units sold from January-August last year. Top three contributors to positive sales were British United Automobiles, Inc., The Covenant Car Company, Inc. (TCCCI) and Hyundai Asia Resources, Inc. (HARI).

AVID also showed a year-on-year growth of 1.8%, with 1,858 units sold in August as opposed to 1,825 units sold last year.

OUTLOOK

The Philippines beats its neighbors in the region with a robust economic growth of 5.9% in Q2. The main drivers were the Service sector, which posted a 7.6% increase, and the expansion of public construction to 45.7% due to constant improvement in government spending. These factors contributed to the 6.1% growth in H1 of 2012, which is notably above the government’s year-end target range of 5-6%. The Philippines is expected to remain resilient amidst a tough global economic environment for the rest of the year as it maintains this growth rate, manages inflation within its 3-5% range, and keeps debt under control.

AVID Members	Sales Volume (in units)
	Aug 2012
British United Automobiles, Inc.	13
CATS Motors	52
HARI	1,454
Scandinavian Motors	14
Motor Image Pilipinas, Inc.	160
TCCCI	165
Total	1,858
Jan-Aug 2012 Total	19,875



*Net of Motor Image Pilipinas, Inc. (joined AVID Dec 2011)

Indicator	2011	Current	2012f
GDP (%)	3.7	5.9 (Q2 '12)	4.8*
Inflation Ave (%)	4.7	3.1 (Jan-Aug)	3.5*
FX Ave (Peso-US\$)	43.3	42.1 (August)	42.0-45.0**
91-day T-bill Ave (%)	1.6	2.33 (Q2 '12)	4.0**
Remittances (US\$ billion)	20.1	8.3 (Jan-May)	21.1**

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

**Government forecasts

