

PHILIPPINE ECONOMIC REPORT

Year-end Report for 2020

PH ECONOMIC GROWTH PLUMMETED TO -9.3 PERCENT IN 2020 FROM 6.0 PERCENT THE PREVIOUS YEAR.

The Philippine economy recorded its worst annual contraction.

Demand Side



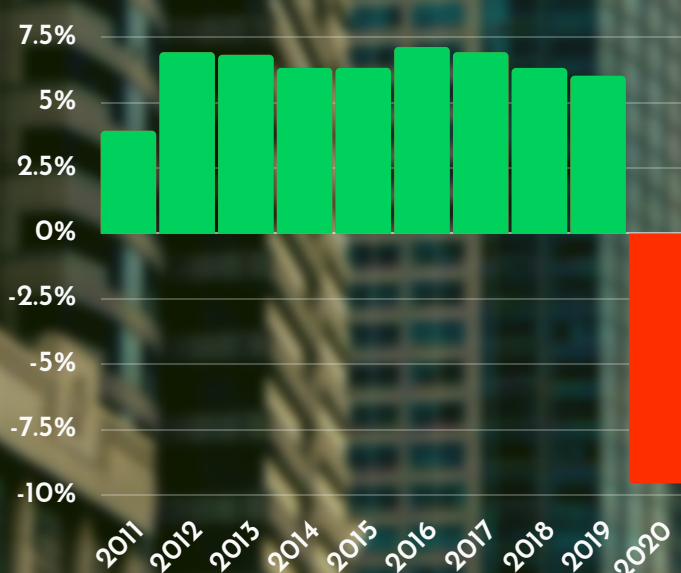
Consumption	-7.9%
Investment	-35.4%
Gov't Spending	+10.4%
Net Exports	-35.4%

Supply Side

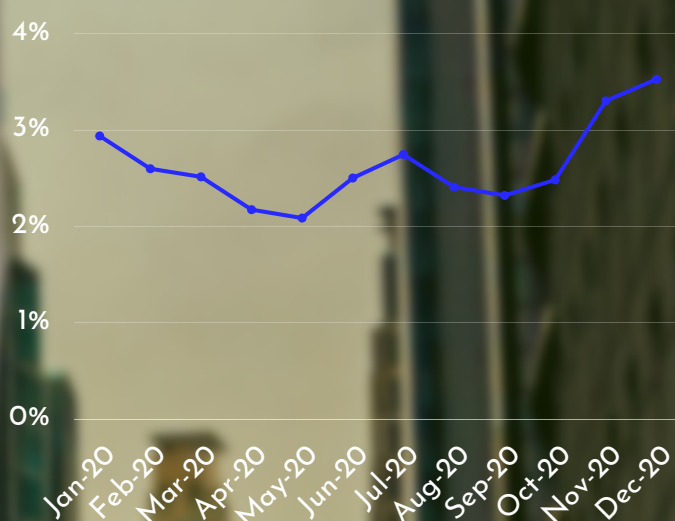


Services	-8.8%
Industry	-13.1%
Agriculture	-0.0006%

GDP Growth: -9.3%



Inflation: 2.6%



Quarterly Highlights of 2020



Q1: Growth recorded at -0.7 percent amid Taal eruption and COVID-19 onset.



Q2: Growth posted at record low -16.9 percent due to quarantine measures.



Q3: Contraction moderates to rate of -11.4 percent as COVID-19 restrictions ease.



Q4: Downturn slightly improves to rate of -8.3 percent. Typhoons hindered recovery.

Other Economic Developments in 2020



Average headline inflation for the year reflected minor acceleration



Unemployment worsened substantially.



PSEi reached lowest level since 2012.



Peso showed continuous quarterly appreciation against dollar in 2020.

Prospects and Challenges for 2021



Government and international organizations forecast growth in 2021.



Additional stimulus measures are being implemented to support economic growth.



Risk of COVID-19 surges threaten recovery goals for 2021.



Slow COVID-19 vaccination prolongs the need for quarantine measures.