PHILIPPINE ECONOMIC REPORT IST QUARTER REPORT FOR 2021

PH POSTED ITS 5TH CONSECUTIVE QUARTERLY CONTRACTION

Economic disruptions due to COVID-19 continued as first quarter 2021 year-on-year growth worsened to -4.2 percent from -0.7 percent the previous year. Weaker year-on-year performance was recorded broadly for both the demand and supply sides, except for government spending. Recovery is hinged on fiscal reforms, vaccine rollout, and control of COVID-19 transmission.



DEMAND-SIDE COMPONENTS











SUPPLY-SIDE COMPONENTS







CHALLENGES FACING THE ECONOMY





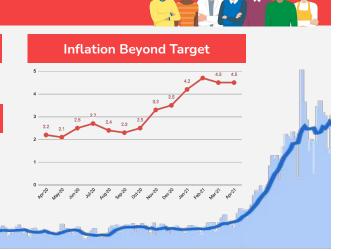
Virus transmission continues to stifle small steps to economic

Unemployment Risks Abound

Unemployment risks are apparent as lockdowns hinder economic activity.

Growth Prospects

2021 growth downgraded to 5.8-7 percent from 6.5-7.5 percent.



OTHER RECENT DEVELOPMENTS

recovery.



CREATE law expected to enhance investment appeal.

Vaccination begins with 140+ mln doses expected in 2021.

PSEi ended March at 6,443.09 from 7,139.71 in end-2020.

Peso-dollar exchange rate average marginally depreciates.

Consumer outlook less pessimistic.

Business sentiment strengthened for the quarter.