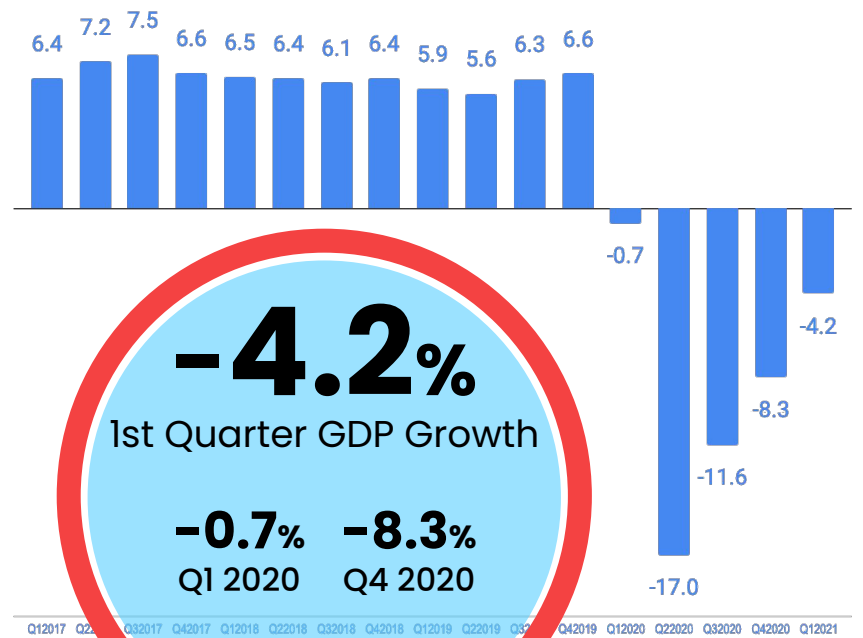


PHILIPPINE ECONOMIC REPORT

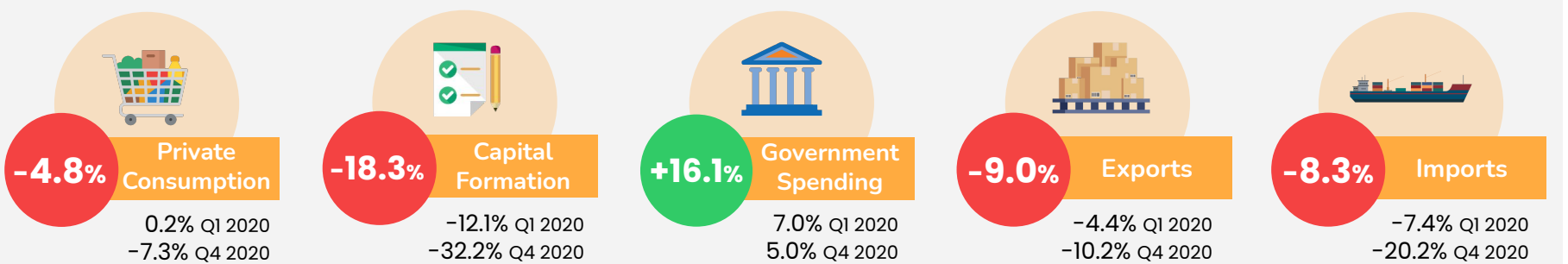
1ST QUARTER REPORT FOR 2021

PH POSTED ITS 5TH CONSECUTIVE QUARTERLY CONTRACTION

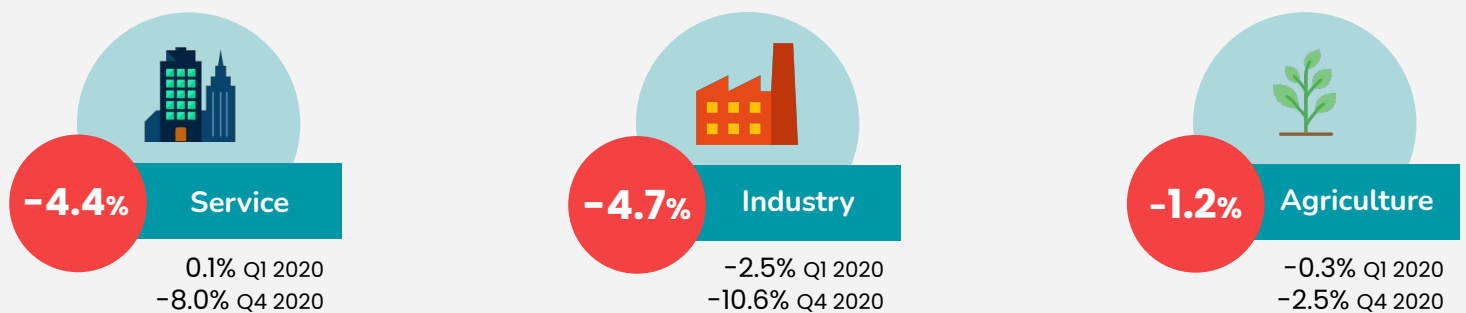
Economic disruptions due to COVID-19 continued as first quarter 2021 year-on-year growth worsened to -4.2 percent from -0.7 percent the previous year. Weaker year-on-year performance was recorded broadly for both the demand and supply sides, except for government spending. Recovery is hinged on fiscal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



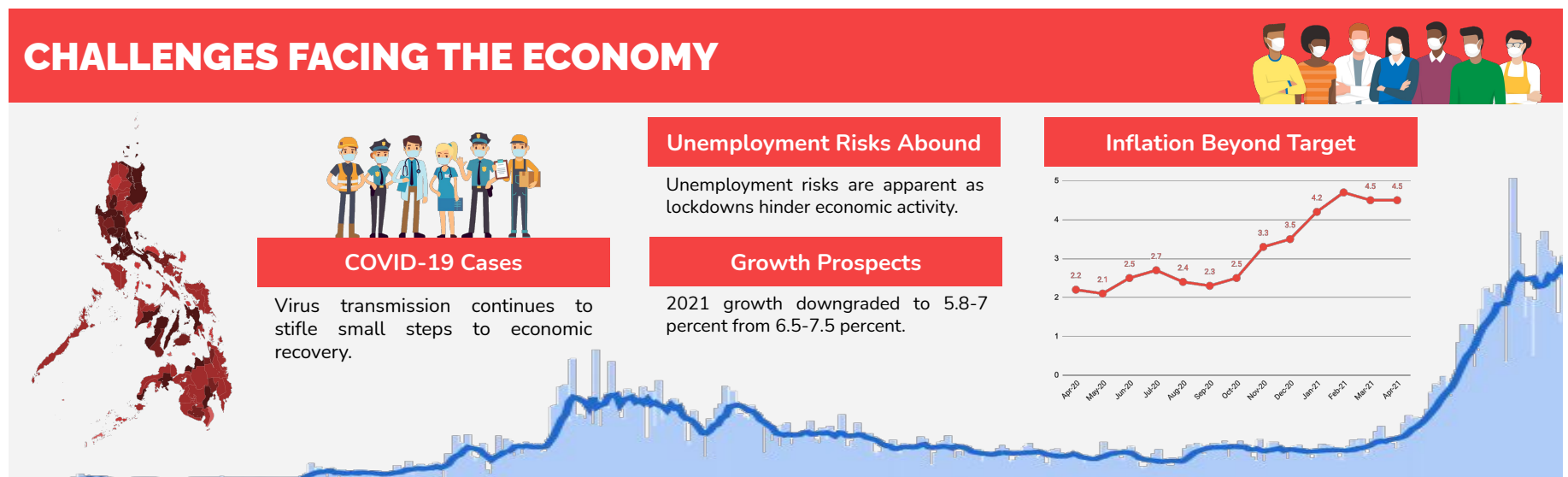
DEMAND-SIDE COMPONENTS



SUPPLY-SIDE COMPONENTS



CHALLENGES FACING THE ECONOMY



OTHER RECENT DEVELOPMENTS

CREATE law expected to enhance investment appeal.

Peso-dollar exchange rate average marginally depreciates.

Vaccination begins with 140+ mln doses expected in 2021.

Consumer outlook less pessimistic.

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

Business sentiment strengthened for the quarter.

