



THE PHILIPPINE  
CONSULATE GENERAL  
MELBOURNE

# Philippine economic updates, prospects and priorities

APBC Networking Event

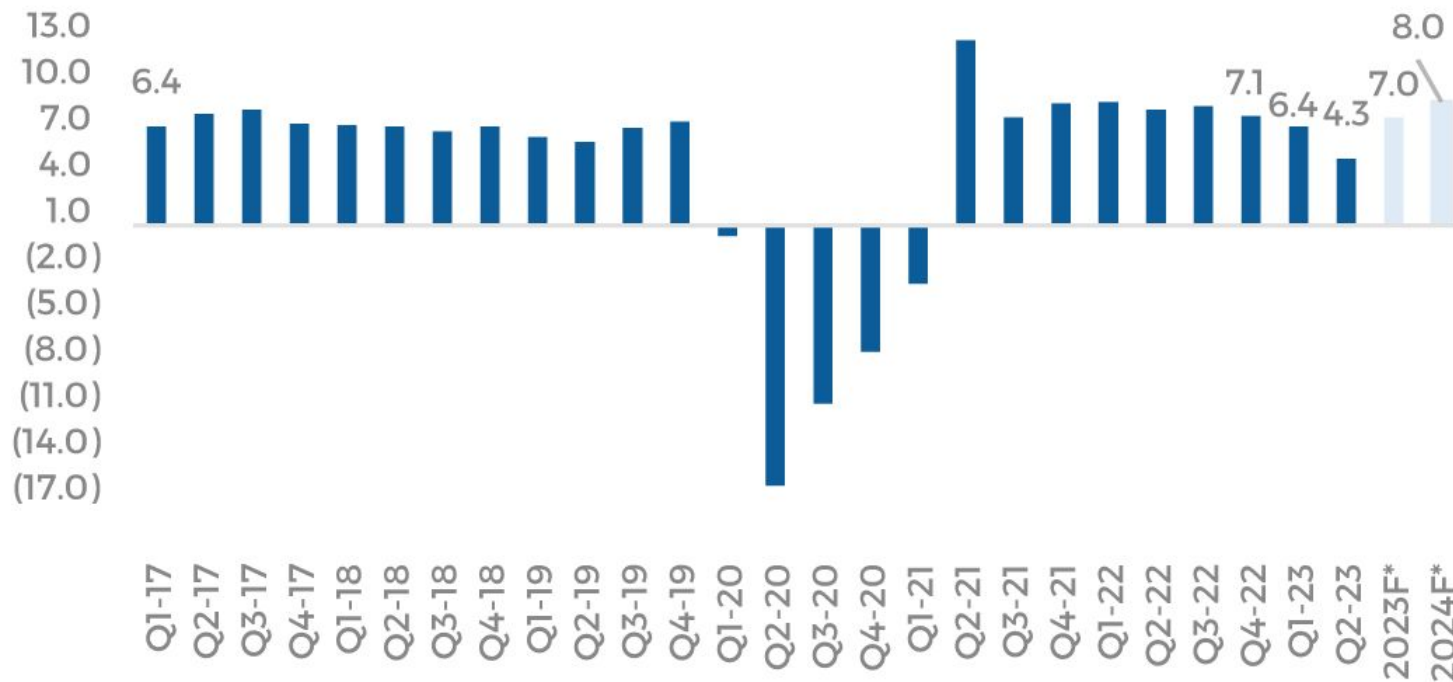
20 September 2023

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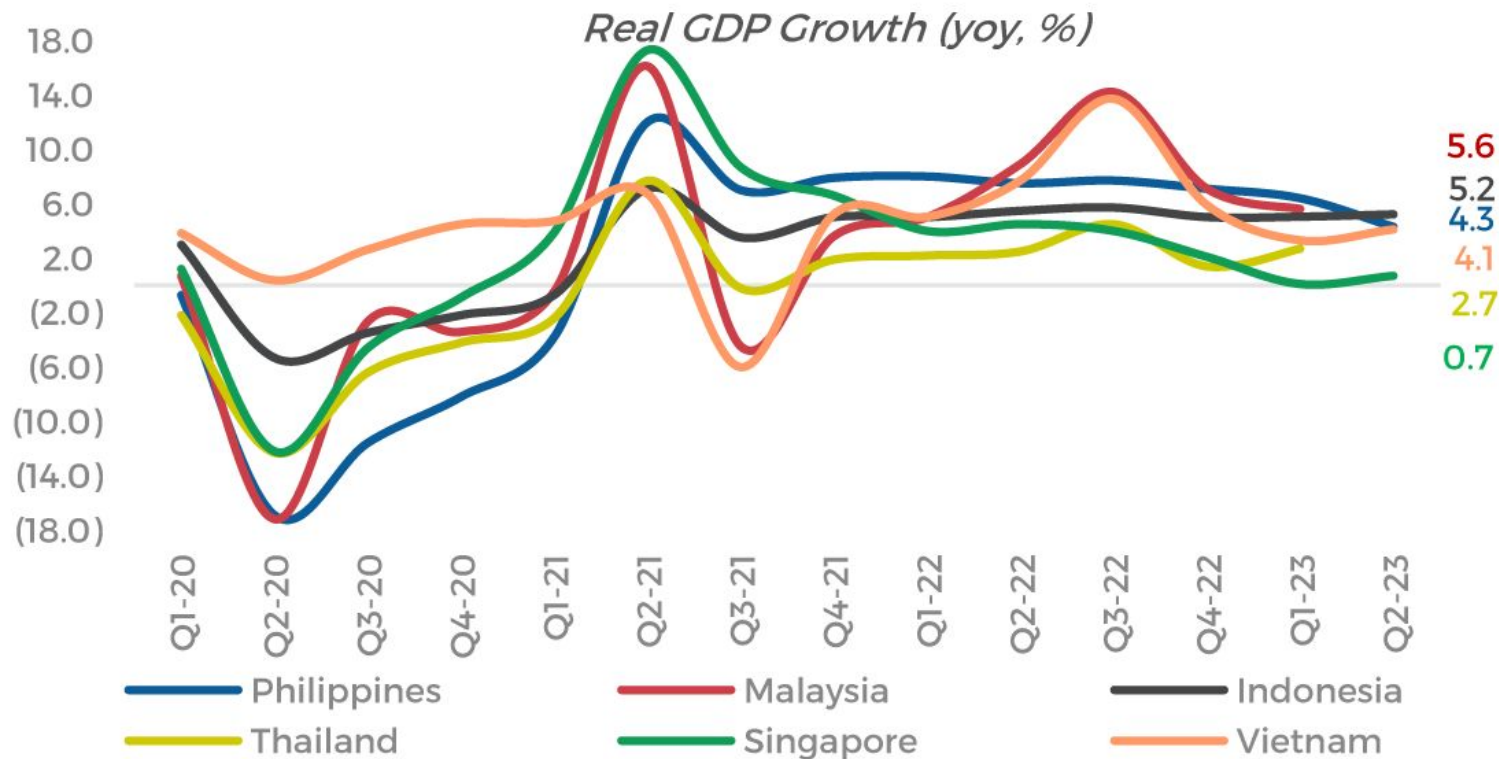
MARIA LOURDES M. SALCEDO  
CONSUL GENERAL

## Stronger growth rebound anchored on sound fundamentals

*Real GDP Growth (yoy, %)*



# Philippines remains among the fastest growing economies in Southeast Asia

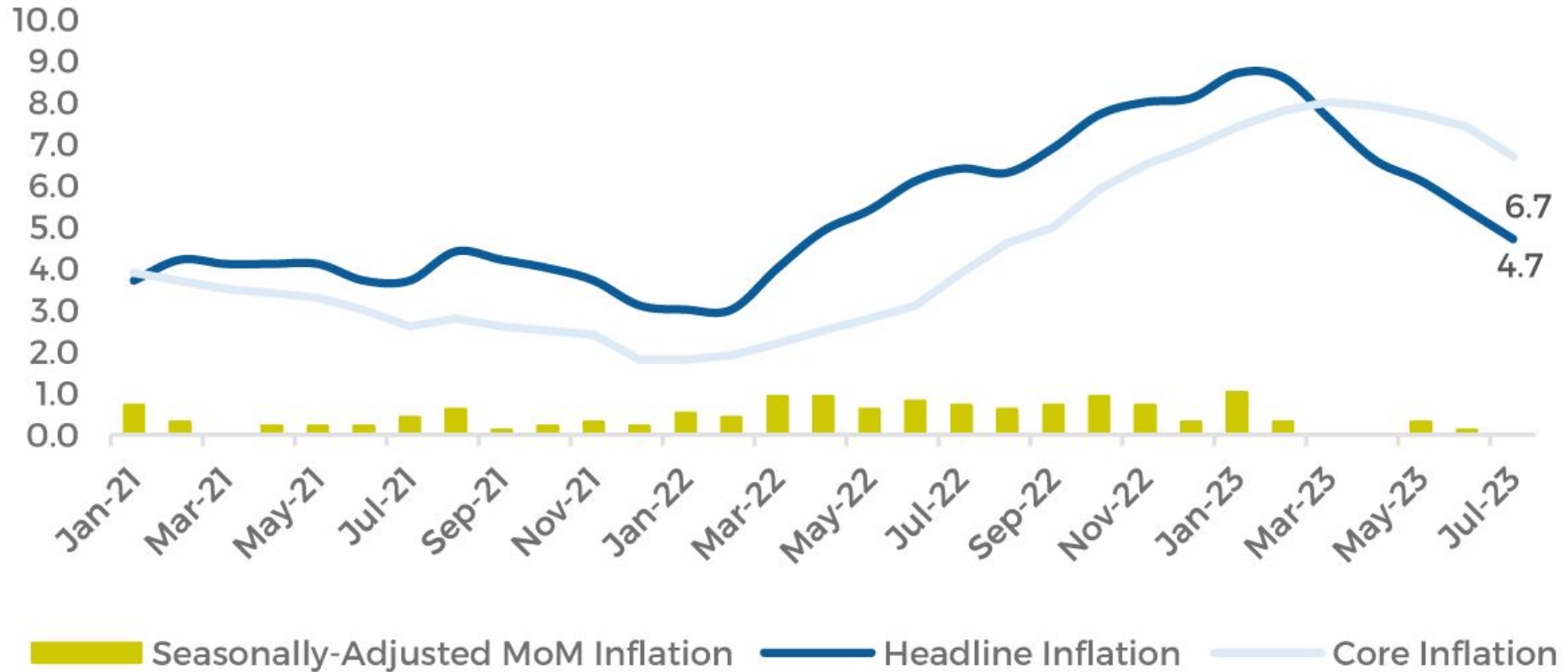


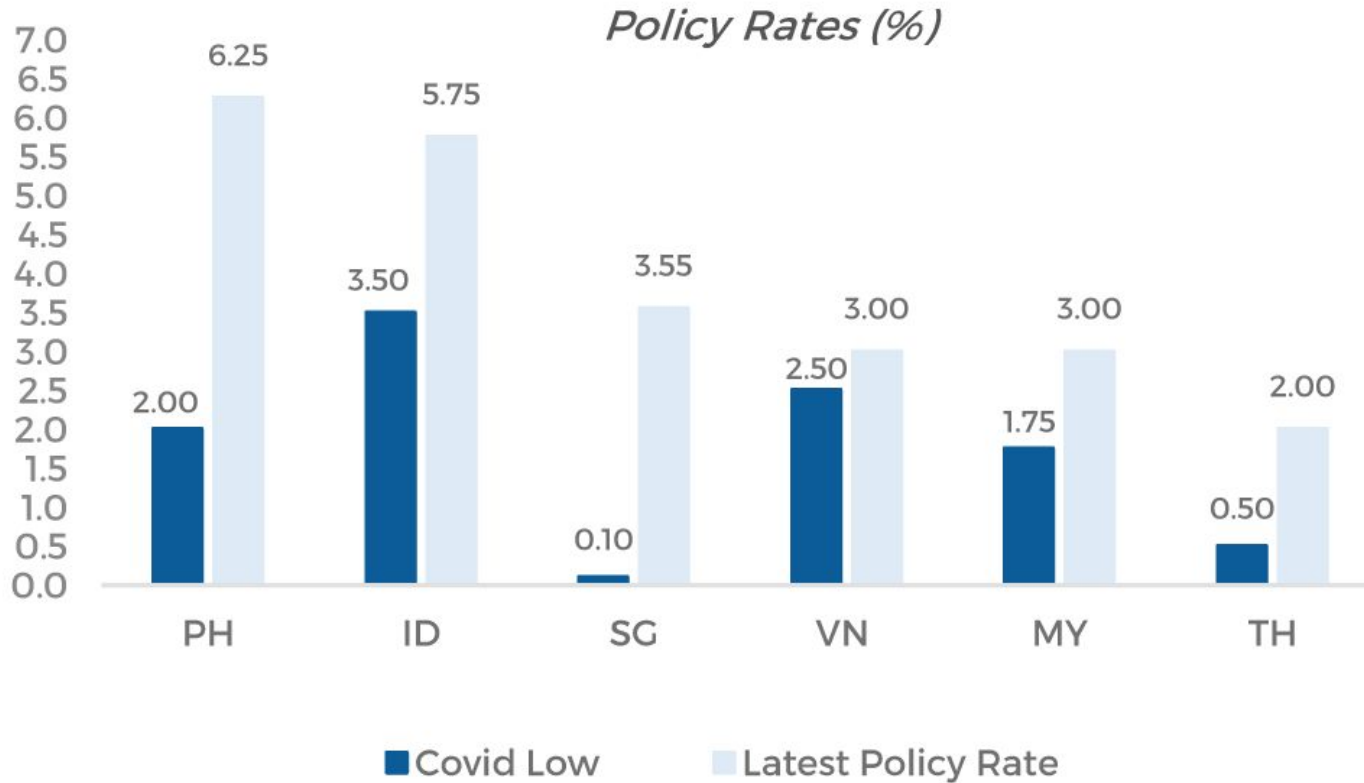


## 2022 ASEAN countries population, GDP & GDP per capita (Based on IMF figures)

Rank ↕	Country ↕	Population in million ↕	GDP Nominal millions of USD ↕	GDP Nominal per capita ↕ USD	GDP (PPP) millions of USD ↕	GDP (PPP) per capita ↕ USD
—	 ASEAN	672.397	3,657,636	5,439	10,316,112	15,342
1	 Indonesia	274.859	1,318,807	4,798	4,036,878	14,687
2	 Thailand	70.078	536,160	7,650	1,482,347	21,152
3	 Singapore	5.637	466,789	82,807	719,080	127,563
4	 Malaysia	32.993	407,923	12,364	1,134,671	34,391
5	 Vietnam	99.462	406,452	4,086	1,321,249	13,284
6	 Philippines	111.570	404,261	3,623	1,171,162	10,497
7	 Myanmar	53.886	56,757	1,053	261,170	4,846
8	 Cambodia	16.767	29,912	1,784	89,570	5,600
9	 Brunei	0.442	16,639	37,667	31,142	70,500
10	 Laos	7.477	15,304	2,046	69,843	9,207

## Headline CPI (yoy, %), 2018 = 100



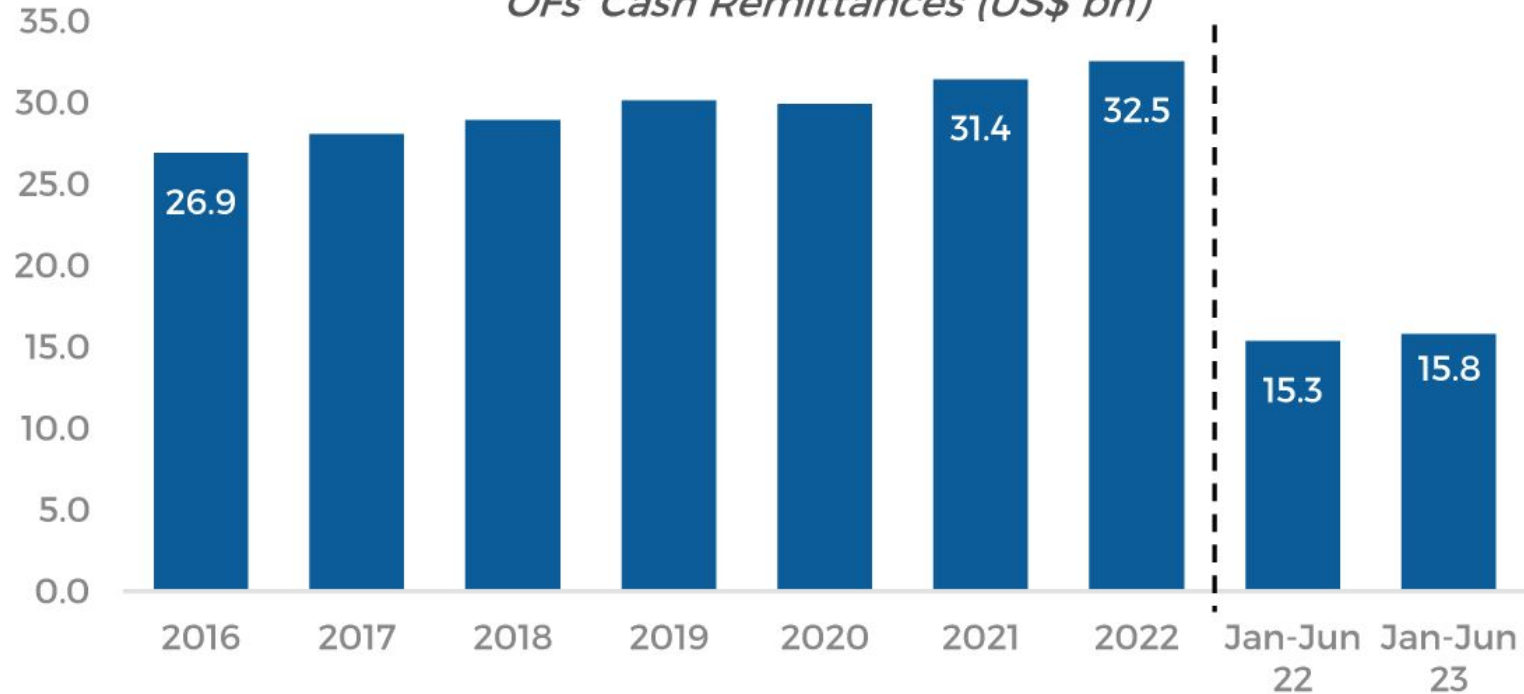


1/ Since May 2022, the BSP has increased its policy rate by 425 bps.



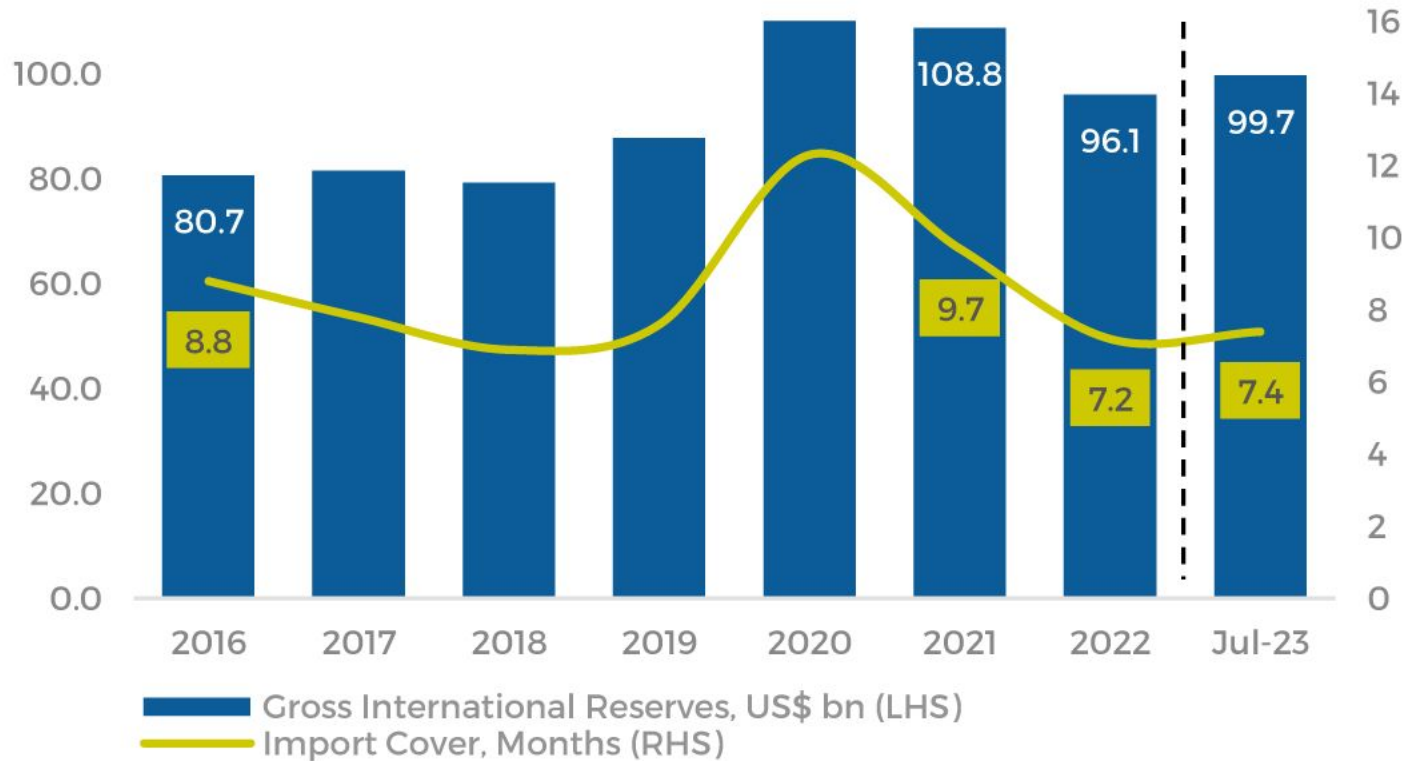
## Remittances are a strong source of growth and stability for the Peso

*OFs' Cash Remittances (US\$ bn)*



## Ample reserves support solid external position

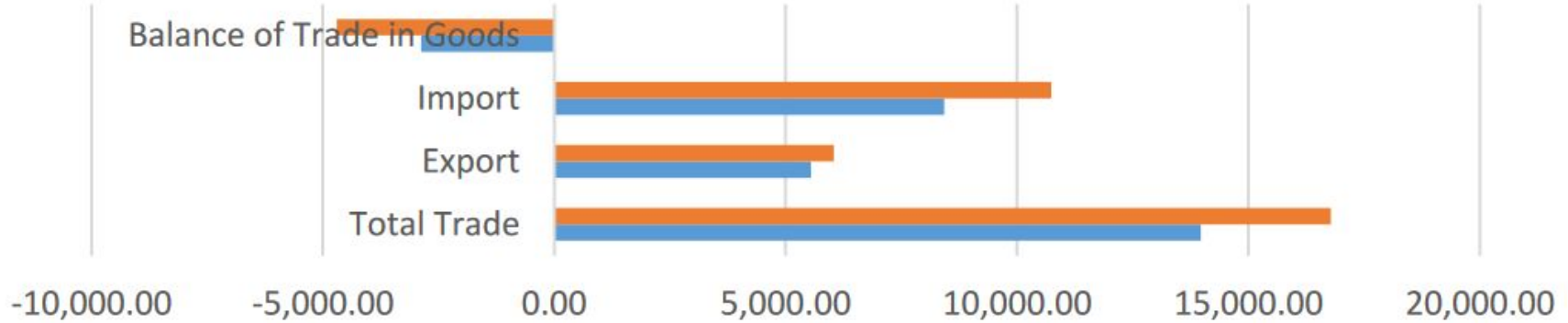
*Gross International Reserves (US\$ bn); Import Cover (months)*





## Philippines Trade Performance between Jan-2021 and Jan-2022

FOB Value in USD Million



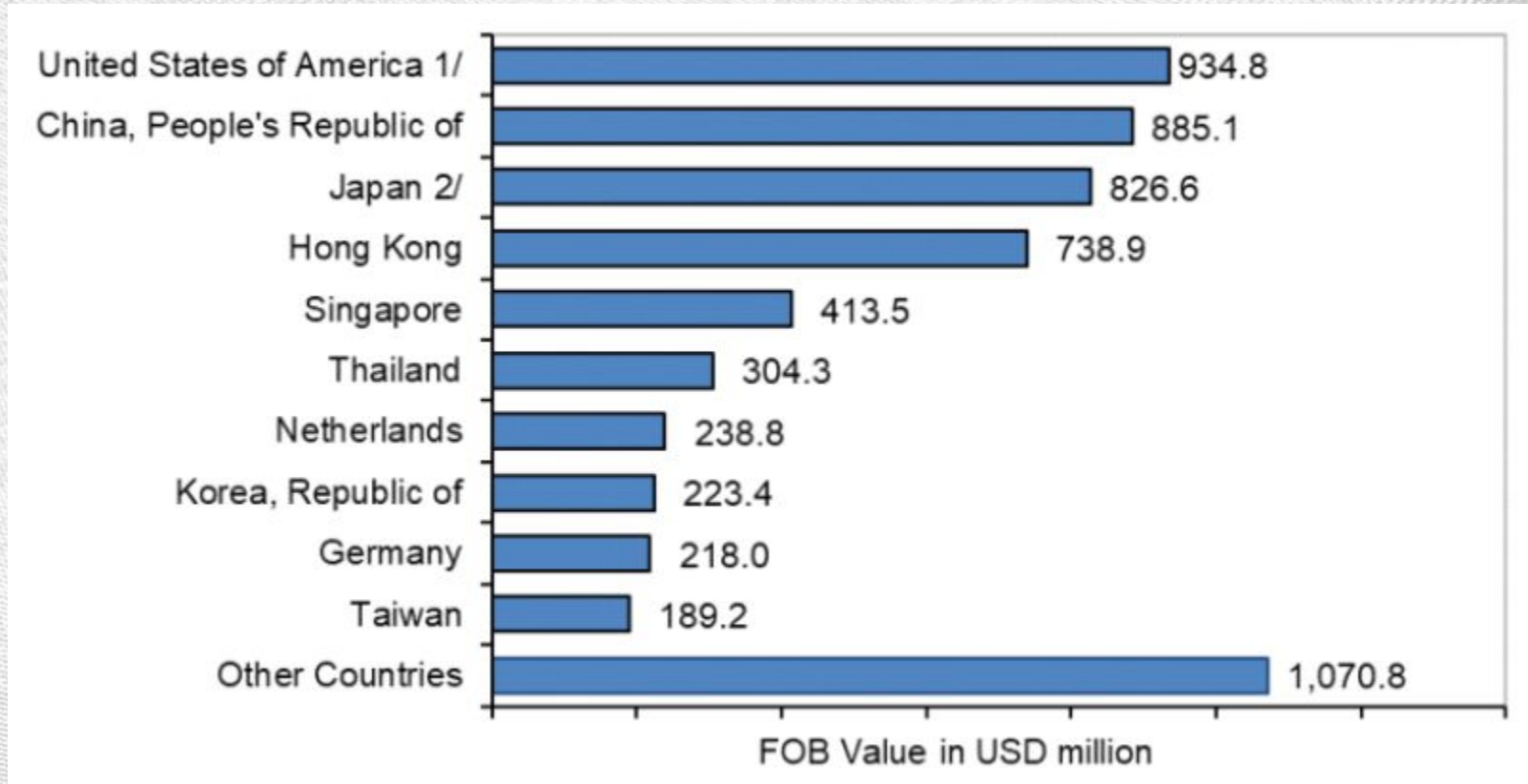
Jan-22 Jan-21



## Annual Growth Rate of Philippine Exports for Top 10 Major Commodity Categories Latest by 2022

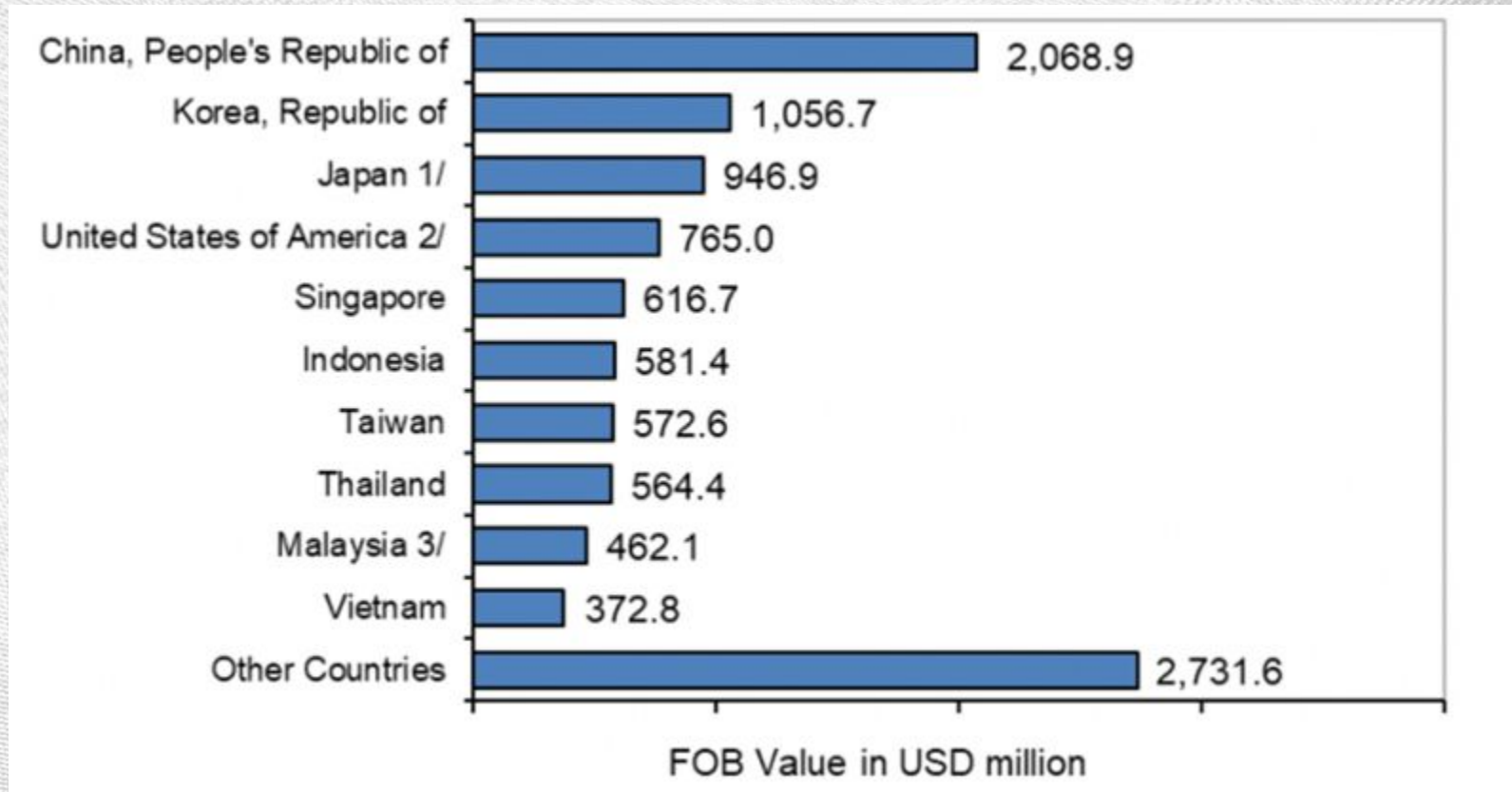
Major Commodity Group	Annual Growth Rate (%)
<b>Gainers</b>	
1) Coconut Oil <sup>1/</sup>	110.1 ▲
2) Other Manufactured Goods	53.4 ▲
3) Cathodes & Sections Of Cathodes, Of Refined Copper	46.0 ▲
4) Electronic Products	8.2 ▲
5) Electronic Equipment and Parts	6.8 ▲
<b>Losers</b>	
6) Ignition Wiring Set and Other Wiring Sets Used in Vehicles, Aircrafts and Ships <sup>2/</sup>	-21.8 ▼
7) Machinery and Transport Equipment	-16.9 ▼
8) Bananas (Fresh)	-16.3 ▼
9) Metal Components <sup>3/</sup>	-6.0 ▼
10) Chemicals	-5.6 ▼

## Major Partner Countries for Philippine Exports in Jan-22

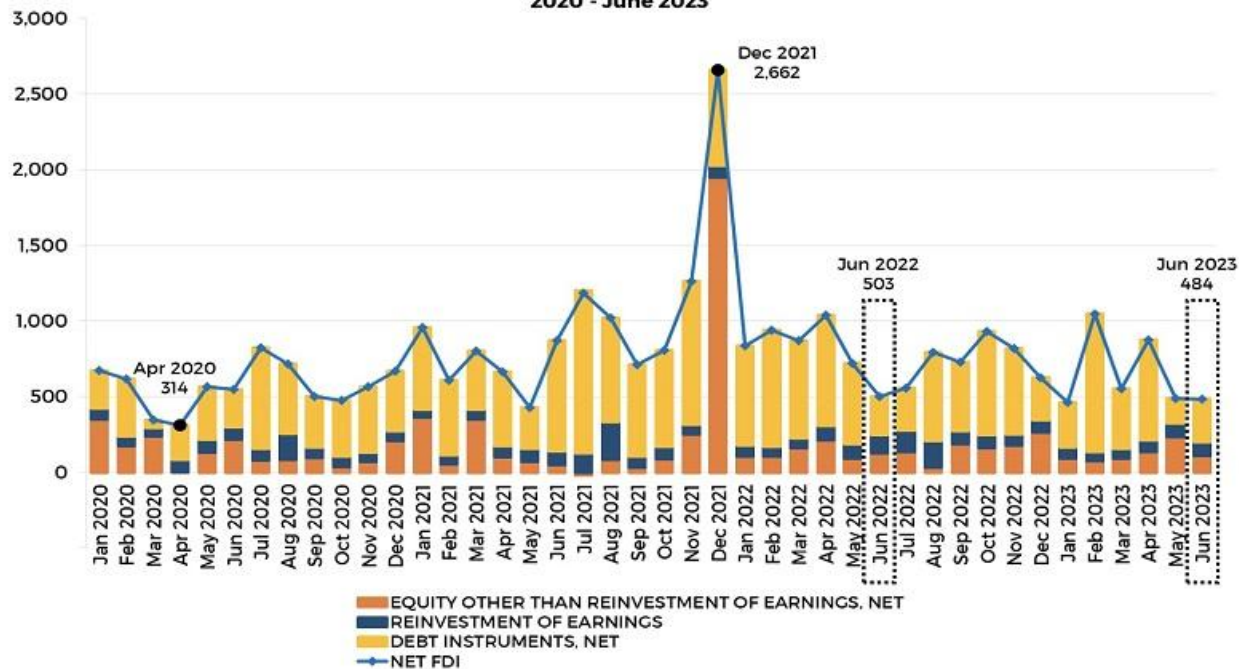




## Major Partner Countries for Philippine Imports in Jan-22



**Figure 1. Net Foreign Direct Investments  
in million US dollars  
2020 - June 2023**



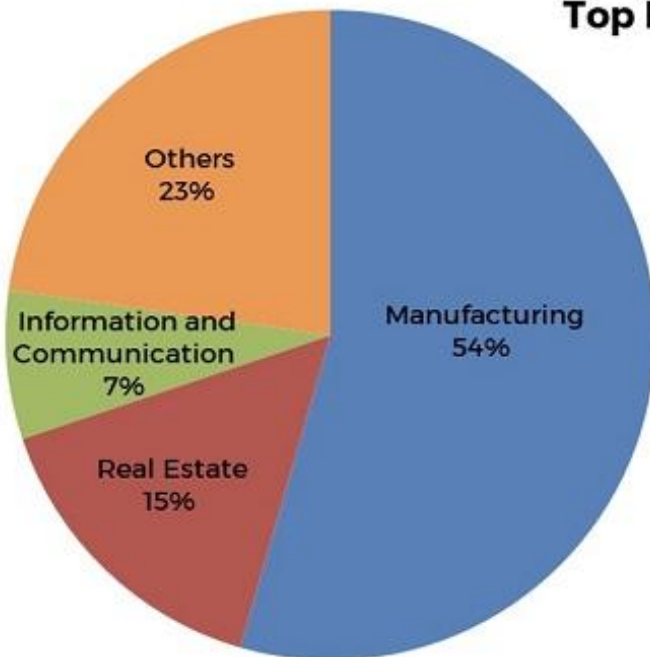
	Jun 2022	Jun 2023	Y-o-Y Growth Rates (In %)
<b>Net FDI</b>	503	484	-3.9
<b>Equity other than reinvestment of earnings, net</b>	126	111	-11.8
<b>Reinvestment of earnings</b>	122	89	-26.8
<b>Debt Instruments, net</b>	255	283	11.0

## Top Country Sources\*

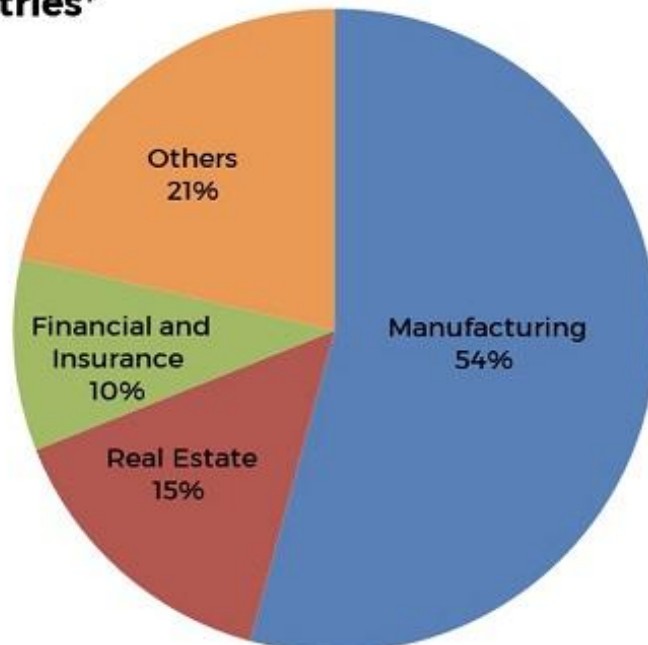




## Top Industries\*



**Jun 2023**



**Jan-Jun 2023**

\* Refers to gross placements of equity capital only.  
Details may not add up to total due to rounding.

## Philippines' Credit Ratings

*As of 7 August 2023*

Fitch	Affirmed at BBB/ Stable – May 2023
JCR	Affirmed at A-/Stable – Mar 2023
S&P	Affirmed at BBB+/Stable – Nov 2022
Moody's	Affirmed at Baa2/Stable – Sep 2022
R&I	Affirmed at BBB+/Positive – Aug 2023



# PHILIPPINES-AUSTRALIA RELATIONS





## PH-AU Bilateral Merchandise Trade, <sup>c/</sup> 2021-2022 (Jan-May), (In US\$ Billion)

	Total	Exports	Imports	Balance
<b>2021</b>	2.13	0.53	1.60	(1.07)
<b>2022<sup>R</sup></b>	3.36	0.56	2.81	(2.25)
<b>Jan-May 2023<sup>P</sup></b>	1.74	0.22	1.52	(1.30)

## 2022 AU RANK AS PH TRADING PARTNER

Total Trade	Exports	Imports
<b>14<sup>th</sup></b> (out of 231)	<b>18<sup>th</sup></b> (out of 213)	<b>12<sup>th</sup></b> (out of 216)



## Net Foreign Direct Investments from AU, <sup>f/</sup> 2021 – 2023 (Jan-April)

Total	In Php M <sup>g/</sup>	In US\$ M	Rank
<b>2021</b>	(299.59)	(6.08)	-
<b>2022</b>	381.84	7.01	17 <sup>th</sup>
<b>Jan-April 2023<sup>P</sup></b>	163.25	2.97	16 <sup>th</sup>

## Approved Investments from AU, <sup>h/</sup> 2020 - 2022

Total	In Php M	In US\$ M <sup>g/</sup>	Rank
<b>2020</b>	570.10	11.49	13 <sup>th</sup>
<b>2021</b>	664.32	13.49	14 <sup>th</sup>
<b>2022</b>	722.64	13.26	11 <sup>th</sup>





## Philippine products identified by DTI for export promotion to AU

- \*Agriculture and food (Coconut, Cacao, Coffee, Mango, Banana, Pineapple, Tuna, Other marine products)
- \*Computer data storage units
- \*Integrated circuits
- \*Semi-conductor devices
- \*Machinery
- \*Precious metals
- \*Wood products





## Priority sectors of investments promotion from Australia

- \*Industrial, manufacturing and transport sectors (semiconductor, automotive, aerospace)
- \*Technology, media and telecommunications (BPO and hyperscalers)
- \*Health and life sciences (telemedicine, medical device manufacturing, pharmaceuticals, vaccine manufacturing)
- \*Mining

# 10 Priority Sectors in Australia's Southeast Asia Strategy to 2040

- \*Agriculture and food
- \*Resources
- \*Green energy transition
- \*Infrastructure
- \*Education and skills
- \*Visitor economy
- \*Healthcare
- \*Digital economy
- \*Professional and financial services
- \*Creative industries





Finding synergies?  
Finding synergies?  
Finding synergies?

**1 + 1 = 3 or 30 or 300 !!!**



# THANK YOU

