



Senate Economic
Planning Office

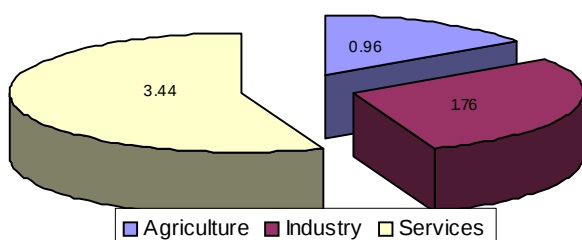
Economy

At a Glance

April 2005

AG-05-2005

Figure 1. Distribution of 2004 Growth
(in percentage points)

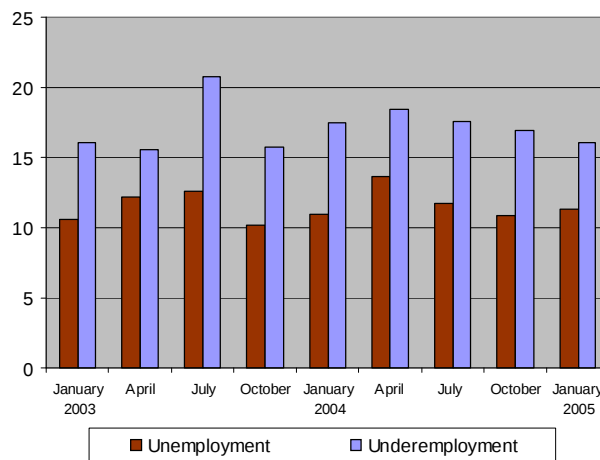


Source: National Statistical Coordination Board (NSCB)

Output. The country's gross domestic product (GDP) grew by 6.1 percent in 2004. The 2004 growth was supported by services, which accelerated by 7.3 percent; industry by 5.3 percent; and agriculture by 4.9 percent. Figure 1 shows the contributions by sector to the 6.1-percent growth in 2004.

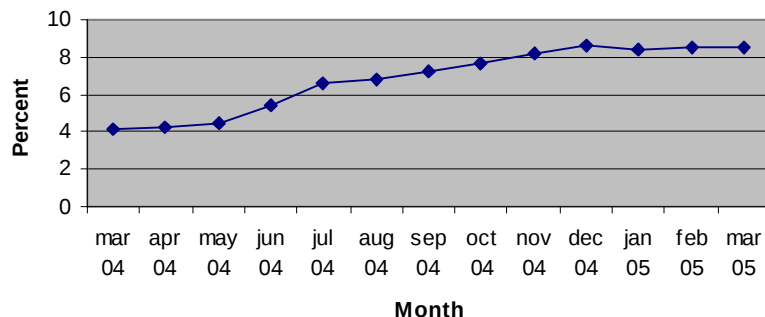
Employment. The country's employment picture remains gloomy as both unemployment and underemployment rates linger in double-digit levels. Unemployment in January of this year is at 11.3 percent while underemployment (those working less than 40 hours a week and seeking for more hours of work) is at 16.1 percent. The higher level of unemployment is explained by a larger number of labor entrants of 217,000 compared to the 87,000 new jobs created.

Figure 2. Employment Indicators



Source: National Statistics Office (NSO)

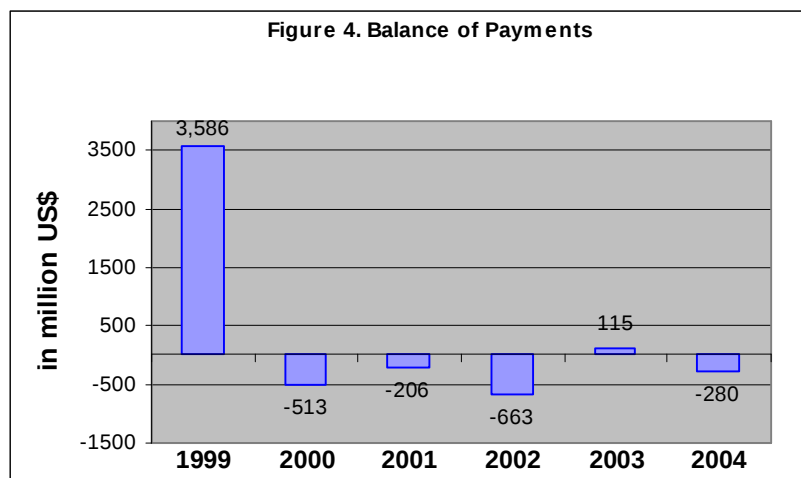
Figure 3. Monthly Inflation Figures



Source: NSO

Prices. Prices of commodities and services are on a roll as inflation rate has been increasing since March 2004, reaching 8.5 percent in March 2005. The uptick in prices is mainly attributed to the high prices of oil and increased demand for food items and services.

Balance of Payments (BOP). The continuous weakening of capital and financial account owing mainly to the uncertain domestic political climate and fiscal situation reversed the country's BOP position from a surplus of US\$115 million in 2003 to a deficit of US\$280 million in 2004. The current account, in contrast, continued its strong performance, posting a surplus equivalent to 2.2 percent of the gross national product in 2004. The 2004 surplus at US\$2.08 billion is significantly higher than the US\$1.40 billion posted in 2003.



Source: Bangko Sentral ng Pilipinas (BSP)

Summary Table of Philippine Economic Performance Indicators

Philippine Economic Performance Indicator	Latest Period		Period of Comparison	
BASIC MACROECONOMIC/REAL INDICATOR				
Real GNP (growth rate)	6.1	2004	5.6	2003
Real GDP (growth rate)	6.1	2004	4.7	2003
FISCAL INDICATOR				
Revenue (as % of GDP)	14.4	2004	14.	2003
Tax revenue (as % of GDP)	12.3	2004	12.5	2003
Expenditures (as % of GDP)	18.3	2004	19.2	2003
NG deficit (as % of GDP)	3.8	2004	4.6	2003
Consolidated public sector deficit (as % of GDP)	3.5	Q3 '04	3.1	Q3 '03
NG debt (as % of GDP)	78.7	end '04	78.0	end '03
MONETARY INDICATOR				
Inflation rate (in %)	8.5	Mar 05	4.0	Feb 04
91-day treasury bill rate (in %)	7.28	Feb 05	6.3	Feb 04
EXTERNAL INDICATOR				
Exports (in US\$ billion)	3.3	Jan '05	2.8	Jan '04
Imports (in US\$ billion)	3.1	Jan '05	3.2	Jan '04
Current account balance as % of GNP	2.2	2004	1.6	2003
Overall balance of payments as % of GNP	-0.3	2004	0.1	2003
External debt as % of GNP	58.6	end '04	69.9	end '03
Gross international reserves (months worth of imports)	4.2	Feb '05	4.3	Feb '04
Pesos per US dollar exchange rate (monthly average)	54.8	Feb 05	56.1	Feb 04
LABOR AND EMPLOYMENT INDICATOR				
Labor force population (in '000)	35,664.0	Jan '05	35,447.0	Jan '04
Labor force participation rate (in %)	66.1	Jan '05	67.3	Jan '04
Unemployment rate (in %)	11.3	Jan '05	11.0	Jan '04
Underemployment rate (in %)	16.1	Jan '05	17.5	Jan '04
Jobs generated (in '000)	87	Jan '05	1,428	Jan '04

Sources: BSP, NSCB, NSO, Department of Finance, Bureau of the Treasury and National Economic and Development Authority