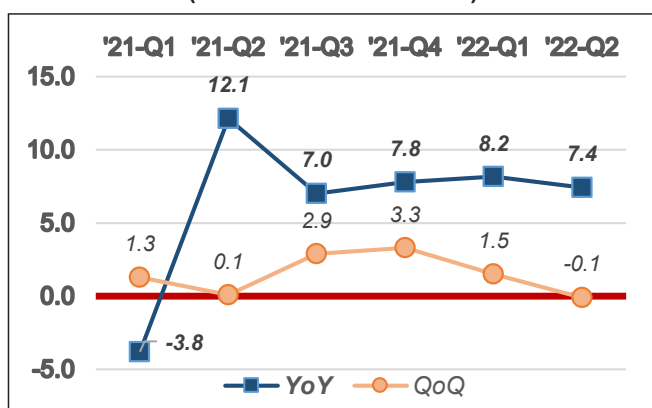


## SECOND QUARTER 2022 PHILIPPINE ECONOMIC PERFORMANCE

The Philippine Statistics Authority (PSA) reported 7.4% year-on-year (YoY) growth in the **Gross Domestic Product (GDP)** for the second quarter of 2022. This is the fifth consecutive period of recorded GDP growth (Figure 1). However, quarter-on-quarter comparison reveals a slight decline of 0.1% in the second quarter vis-à-vis its preceding period.

GDP in the first half of 2022 is now valued at P9.6 trillion (at constant 2018 prices), higher than its pre-pandemic 2019 first semester value of P9.49 trillion.

**FIGURE 1. GDP GROWTH RATES, 2021 TO 2022 Q2  
(CONSTANT 2018 PRICES)**



\*2022-Q1 GDP was revised to 8.2% from preliminary estimate of 8.3%.  
Source: PSA

**Net primary income (NPI)**, comprised mainly of remittances from overseas Filipinos, bounced back by 64.8% in the second quarter of 2022 from a contraction of 55.7% in the same period in 2021 (Table 1). **Gross national income (GNI)** further rose to 9.3% from 6.8%.

**TABLE 1. GROWTH RATES IN NPI AND GNI,  
2021 TO 2022 Q2**

	2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2
NPI	-75.9	-55.7	-52.4	16.0	105.4	64.8
GNI	-10.5	6.8	2.8	8.1	10.6	9.3

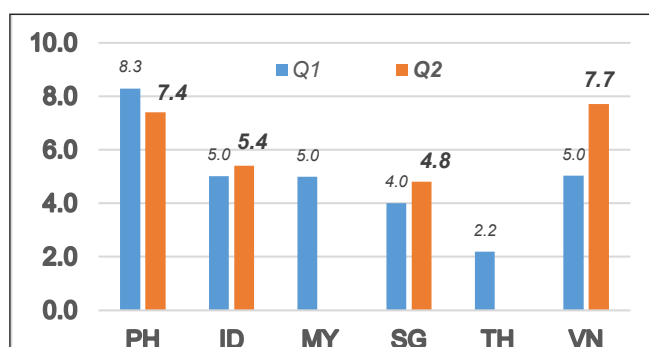
\*2022 Q1 NPI was revised to 105.4% from preliminary estimate of 103.2%, and GNI to 10.6% from preliminary estimate of 10.7%.  
Source: PSA

For the second quarter of 2022, the Philippines recorded the second highest GDP growth rate among major ASEAN member states, following Vietnam's (VN) 7.7% (Figure 2). Indonesia (ID) registered 5.4%, while Singapore's (SG) GDP figure is 4.8%.

# Facts in Figures

Congressional Policy and Budget Research Department  
House of Representatives  
August 2022 (No. 46)

**FIGURE 2. GDP GROWTH RATES OF MAJOR ASEAN  
ECONOMIES, 2022 Q1-Q2**



\* No available 2022-Q2 data yet for Malaysia (MY) and Thailand (TH).  
Source: Statistical agencies of ASEAN member states.

### SUPPLY SIDE

**TABLE 2. GROWTH RATES BY INDUSTRIAL ORIGIN,  
2021 TO 2022 Q2**

	2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2
AFF	-1.3	0.0	-1.7	1.4	0.2	0.2
IND	-4.2	21.3	8.7	9.6	10.5	6.3
SERV	-4.0	9.9	7.7	8.0	8.3	9.1

Source: PSA

The **agriculture, forestry and fishing (AFF)** sector rose by 0.2% in the second quarter of 2022 from 0.01% in the same period in 2021 (Table 2). Major crops such as palay and corn, both sustained growth of 0.7% and 10.2%, respectively. On the other hand, sugarcane which includes *muscovado* sugar-making in the farm, posted a double-digit decline of 50.1%.

The **industry (IND)** sector grew at a slower pace of 6.3% in the second quarter of 2022 compared to the double-digit expansion of 21.3% in the same period in 2021. Three out of four sub-sectors registered growth with construction at the fore with 19%; followed by electricity, steam, water and waste management with 5.4%; and

manufacturing with 2.1%. Mining and quarrying, on the other hand, declined by 7.3%.

**Services (SERV)** also sustained its growth at 9.1% in the second quarter of 2022 from 9.9% in the same period in 2021. All eleven sub-sectors expanded, with other services like arts, entertainment and recreation (39.5%), accommodation and food (29.9%), transportation and storage (27.1%), and information and communication (10.7%) posting double-digit growth.

## DEMAND SIDE

**TABLE 3. GROWTH RATES BY EXPENDITURE, 2021 TO 2022 Q2**

	2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2
HFCE	-4.8	7.3	7.1	7.5	10.0	8.6
GFCE	16.1	-4.2	13.8	7.8	3.6	11.1
Investment	-13.9	83.7	20.8	14.2	20.4	20.5
Fixed capital	-18.2	39.7	16.0	10.8	11.8	13.2
Construction	-25.2	35.3	24.9	15.8	14.7	15.7
Durable Eqt.	-11.0	94.5	6.2	5.5	9.9	11.7
BSOD	-3.2	-2.7	-2.2	-5.0	3.5	-0.8
IPP	1.1	10.7	18.4	18.7	10.8	6.0
Exports	-8.4	28.6	9.1	7.7	10.4	4.3
Imports	-7.5	40.3	12.7	14.3	15.4	13.6
<b>GDP</b>	<b>-3.8</b>	<b>12.1</b>	<b>7.0</b>	<b>7.8</b>	<b>8.2</b>	<b>7.4</b>

Note: BSOD = breeding stocks and orchard development. IPP = intellectual property products.  
Source: PSA.

**Household final consumption expenditure (HFCE)** further rose by 8.6% in the second quarter of 2022 from a 7.3% growth in the same period in 2021 (Table 3). It is noted, however, that quarter-on-quarter comparison also reveals a 2.7% decline in the second quarter vis-à-vis the preceding quarter. Nevertheless, HFCE remains the top expenditure sector which contributed 5.8 percentage points to the overall GDP growth.

**TABLE 4. GROWTH RATES BY EXPENDITURE GROUP, 2021 Q2 AND 2022 Q1-Q2**

Purpose	2021 Q2	2022	
		Q1	Q2
Food & non-alcoholic bev.	2.8	10.0	5.8
Alcoholic bev., tobacco	0.7	6.5	2.2
Clothing & footwear	46.7	7.9	4.5
Housing, water, electricity, gas & OF	6.6	5.9	7.0
Furnishings, HH eqpt. & RHHM	16.7	8.4	8.5
Health	15.6	1.1	-2.4
Transport	19.2	16.0	25.7
Communication	13.7	7.0	10.3
Recreation & culture	14.1	16.3	35.0
Education	11.2	11.5	7.2
Restaurants & hotels	21.7	19.8	32.3
Misc. goods & services	3.5	8.6	7.5
<b>HFCE</b>	<b>7.3</b>	<b>10.0</b>	<b>8.6</b>

Source: PSA

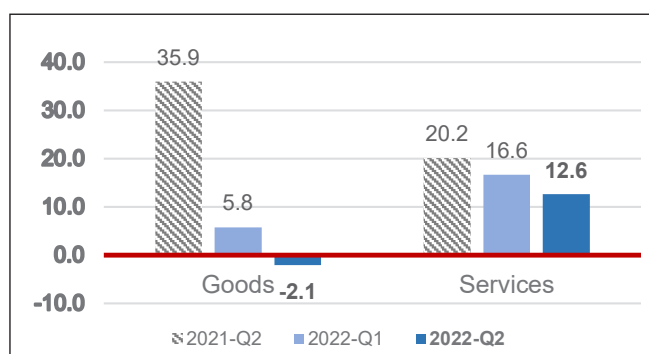
Except for health, all HFCE items posted an expansion with four items registering double-digit growth rates: recreation and culture (35%); restaurants and hotel (32.3%); transport (25.7%); and communication (10.3%) (Table 4). Food and non-alcoholic beverages, which comprised the bulk of household spending, further rose by 5.8% from 2.8% in the comparable period in 2021.

## Government final consumption expenditure (GFCE)

bounced back to a double-digit growth of 11.1% in the second quarter of 2022 from a 4.2% contraction in the same period in 2021 (Table 3). **Investment** continued its remarkable expansion by posting a 20.5% growth in the second quarter of 2022 from a historic-high of 83.7% in the same period in 2021. Both fixed capital and construction sustained growth rates of 13.2% (from 39.7%) and 15.7% (from 35.3%), respectively.

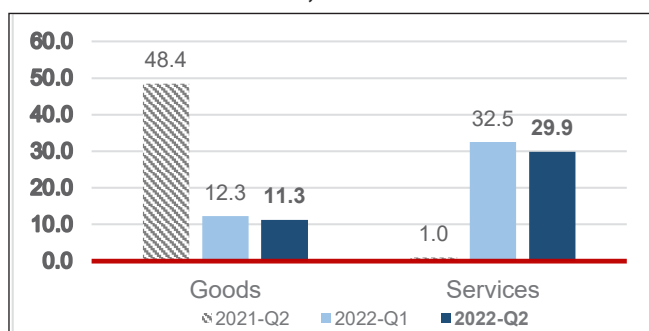
**Total exports** also expanded, though at a slower pace, with 4.3% in the second quarter of 2022 compared to 28.6% in the comparable period in 2021 (Table 3). Exports of goods declined by 2.1% (from 35.9%), while exports of services grew by 12.6% (from 20.2%) (Figure 3). **Total imports** expanded by 13.6% in the second quarter of 2022 from 40.3% in the same period in 2021 (Table 3). Imports of goods tempered at 11.3% (from 48.4%), while imports of services leaped to 29.9% (from 1%) (Figure 4).

**FIGURE 3. GROWTH RATES IN EXPORTS OF GOODS AND SERVICES, 2021 Q2 AND 2022 Q1-Q2**



Source: PSA

**FIGURE 4. GROWTH RATES IN IMPORTS OF GOODS AND SERVICES, 2021 Q2 AND 2022 Q1-Q2**



Source: PSA