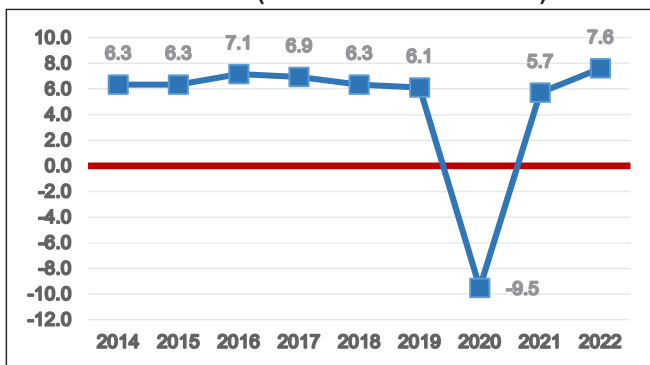


2022 PHILIPPINE ECONOMIC PERFORMANCE

According to the Philippine Statistics Authority, the **Gross Domestic Product (GDP)** expanded by 7.2% in the fourth quarter of 2022, sustaining the 7.8% growth posted in the same period in 2021. It is the seventh consecutive recorded GDP growth since the second quarter of 2021. This brings the whole year of 2022 GDP growth to 7.6% (Figure 1), exceeding the government's annual upper-end target of 7.5%. The 2022 GDP valued at P19.9 trillion (at constant 2018 prices) stands P1.4 trillion higher than the 2021 GDP, and has already surpassed the 2019 pre-pandemic GDP level of P19.4 trillion.

FIGURE 1. GDP ANNUAL GROWTH RATES (IN %), 2014 - 2022 (CONSTANT 2018 PRICES)



Source: PSA

Net primary income (NPI), comprised mainly of remittances from overseas Filipinos, bounced back by 76.4% in 2022 from a contraction of 51.3% in 2021 (Table 1). Gross national income (GNI) further rose by 9.9% from 1.7% in 2021.

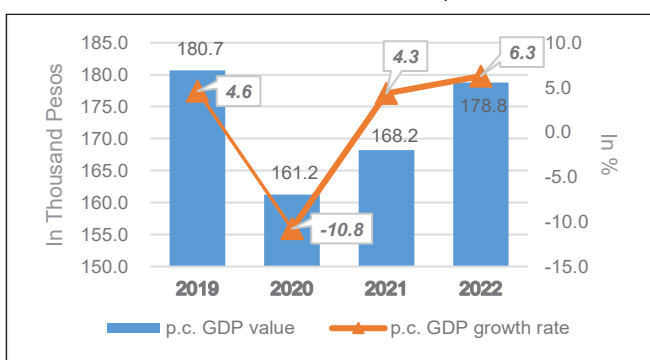
TABLE 1. GROWTH RATES IN NPI AND GNI

	2019	2020	2021	2022
NPI	-1.6	-31.1	-51.3	76.4
GNI	5.4	-11.5	1.7	9.9

Source: PSA

Real GDP per capita (p.c.) climbed to P178,779 in 2022, which is 6.3% higher compared with the 2021 level of P168,224 (Figure 2) but still lower than the 2019 pre-pandemic level of P180,661.

FIGURE 2. REAL PER CAPITA GDP, 2019 – 2022



Source: PSA

Facts in Figures

Congressional Policy and Budget Research Department
House of Representatives
January 2023 (No. 06)

SUPPLY SIDE

All production sectors registered growth in 2022 (Table 2). **Agriculture, forestry and fishing (AFF)** recovered by 0.5% from a contraction of 0.3% in 2021. Growth of the livestock bounced back to 2.3% from a double-digit decline of 17.3% in 2021. On the other hand, the sugarcane industry plunged by 17.5% in 2022. *Palay*, one of the major crops, registered a decline of 1%, while corn posted 0.6% growth.

TABLE 2. GROWTH RATES BY INDUSTRIAL ORIGIN

	2019	2020	2021	2022
AFF	1.2	-0.2	-0.3	0.5
INDUSTRY	5.5	-13.1	8.5	6.7
Mining & quarrying	3.4	-18.6	5.0	5.3
Manufacturing	3.8	-9.8	8.8	5.0
Electricity, steam, water and waste mgmt	6.2	-0.4	4.5	5.1
Construction	9.7	-25.5	10.0	12.7
SERVICES	7.2	-9.1	5.4	9.2
Wholesale & retail trade; motor vehicle repair & motorcycles	7.8	-6.1	4.2	8.7
Transpo. & storage	6.4	-30.6	6.3	23.9
Accom. & food service	5.6	-45.5	7.2	31.8
Info. & communication	8.0	5.1	9.2	7.8
Fin. & insurance act.	11.9	5.6	4.7	7.2
Real estate & ownership of dwellings	4.1	-16.7	2.2	5.3
Prof. & business services	2.0	-9.6	6.2	8.8
Public admn. & defense; comp. social act.	13.5	4.5	5.7	3.8
Education	4.7	-10.2	8.3	7.6
Human health & social work act.	4.9	-5.1	14.1	3.6
Other services	6.7	-41.0	2.0	28.3
GDP	6.1	-9.5	5.7	7.6

Source: PSA

Industry sustained growth by 6.7% in 2022 from an 8.5% expansion in 2021. Among the four sub-sectors,

construction registered the highest growth of 12.7%, maintaining its double-figure expansion of 10% in 2021.

Services posted the highest growth among the three sectors with 9.2%, equivalent to 5.5 percentage points contribution to the overall 2022 GDP growth. Three sub-sectors recorded remarkable expansion: accommodation and food service with 31.8%; other services with 28.3%; and transportation and storage with 23.9%.

DEMAND SIDE

Household final consumption expenditure (HFCE) further rose to 8.3% in 2022 from 4.2% in 2021 (Table 3). All HFCE items registered expansion including food and non-alcoholic beverages at 5.7% (Table 4). Items that posted the highest growth rates are: restaurants and hotels (27.8%); recreation and culture (25.3%); and transport (16.5%).

TABLE 3. GROWTH RATES BY EXPENDITURE

	2019	2020	2021	2022
HFCE	5.9	-8.0	4.2	8.3
GFCE	9.1	10.5	7.1	5.0
Investment	3.5	-34.2	20.3	16.8
Fixed capital	3.9	-27.3	9.9	10.4
Construction	9.1	-30.1	11.1	12.7
Durable equipment	-6.7	-29.7	12.2	9.3
BSOD	1.5	-3.4	-3.3	0.3
IPP	19.0	-9.6	12.9	6.3
Exports	2.6	-16.1	8.0	10.7
Imports	2.3	-21.6	13.0	13.1
GDP	6.1	-9.5	5.7	7.6

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

TABLE 4. GROWTH RATES IN HFCE BY PURPOSE

Purpose	2019	2020	2021	2022
Food & non-alcoholic bev.	5.1	4.9	3.5	5.7
Alcoholic bev., tobacco	-2.7	-25.5	-7.5	0.7
Clothing & footwear	3.8	-16.9	13.4	4.6
Housing, water, electricity, gas & other fuels	6.2	5.8	3.2	4.7
Furnishings, HH eqpt. & routine HH maint.	4.9	-12.9	3.3	8.6
Health	6.1	-2.4	13.9	2.7
Transport	5.1	-33.4	0.1	16.5
Communication	7.0	6.0	9.1	7.4
Recreation & culture	7.2	-43.8	2.7	25.3
Education	7.9	-11.2	8.9	9.0
Restaurants & hotels	6.6	-43.2	4.7	27.8
Misc. goods & services	8.4	1.3	4.3	7.8

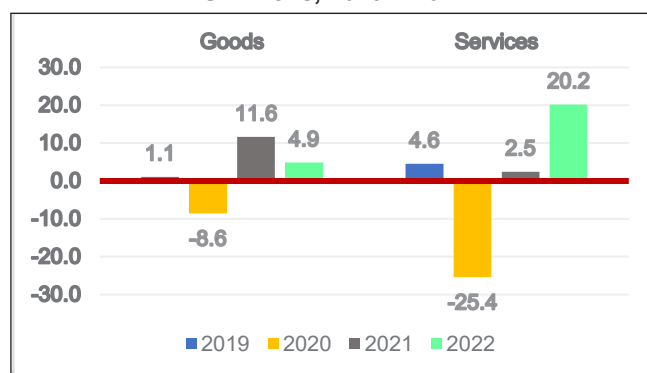
Source: PSA.

Government final consumption expenditure (GFCE) also grew albeit at a slower pace of 5% in 2022 from 7.1% in 2021 (Table 3). This is the 8th year of consecutive growth of at least 5% since 2015.

Investment sustained its robust growth of 16.8% in 2022 from a double-figure expansion of 20.3% in 2021. All the five sub-sectors registered growth with construction at the fore at 12.7%, followed by fixed capital (10.4%), and durable equipment (9.3%).

Total exports further climbed by 10.7% in 2022 from 8% in 2021 (Table 3). Exports of goods posted a 4.9% growth from 11.6% in 2021 (Figure 3). Meanwhile, growth of the exports of services jumped to 20.2% (from 2.5%), driven by the notable expansion in the following sub-sectors: travel at 246.3%; transport at 73%; and miscellaneous services at 36.9%.

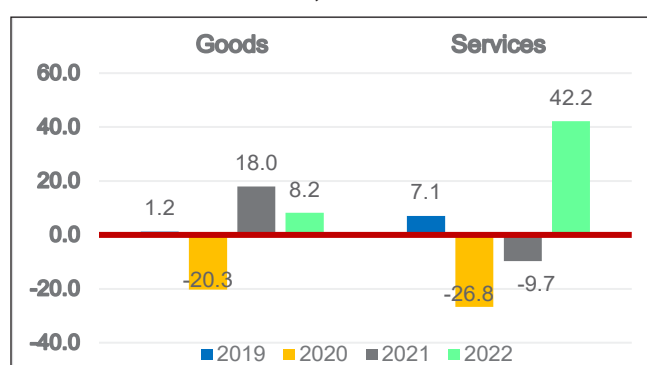
FIGURE 3. GROWTH RATES IN EXPORTS OF GOODS AND SERVICES, 2019 – 2022



Source: PSA.

Total imports maintained its 13.1% expansion in 2022 (from 13% in 2021) (Table 3). Growth of imported goods slowed down to 8.2% from 18% in 2021 (Figure 4). On the other hand, imports of services escalated by 42.2% from a contraction of 9.7% in 2021. This huge push in services-imports is brought forth by expansion in: miscellaneous services at 99.4%; travel at 78.4%; and business services at 39.2%.

FIGURE 4. GROWTH RATES IN IMPORTS OF GOODS AND SERVICES, 2019 – 2022



Source: PSA.