

# Update 40: Philippines - Reports Recession for the First Time in 29 Years in Q2 2020 Amid COVID-19 Outbreak

- Philippine's economy declined by 16.5% in Q2 2020, reporting recession for the first time in 29 years
- The contraction is deeper than government's projection of decline by 2.0%-3.4%
- This comes due to decline in economic activity amid one of the world's longest and strictest COVID-19 lockdowns
- Economy is expected to contract by 5.5% this year as government reimposed tighter quarantine measures in Manila and nearby provinces for two weeks this month
- Authorities said the country can no longer afford prolonged business shutdowns, which has stifled consumer spending and will result in increase in unemployment and poverty
- So far, Philippines recorded 115,980 confirmed infections, just behind Indonesia's 116,871 cases, which is the highest in East Asia
- 1.8% (2,123) of total cases in the country reported deaths
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult Disease Prevention and Control Bureau (<https://www.doh.gov.ph/node/689>) for the latest information on COVID-19 in the Philippines

## Source(s)

<https://www.reuters.com/article/us-philippines-economy-gdp/philippine-economy-dives-into-recession-in-worst-slump-on-record-idUSKCN25208X>  
<https://www.cnnphilippines.com/business/2020/8/6/govt-revises-full-year-GDP-forecast.html>

## Targets Affected:

[Manila - Philippines](#)

### Guidance

#### *Actions to consider:*

- Consider implementing suggested actions related 'Negative Impact on Economy' and 'Increase in Positive Cases/Deaths' under the 'COVID-19: Actions to Consider' section below / next page

**Related Alerts**

**Aug. 3, 2020**

**Immediate**

Update 39: Metro Manila, Philippines - Reimposes Modified Enhanced Community Quarantine Until August 18, 2020 Amid Increase in COVID-19 Cases

**July 31, 2020**

**Medium**

Update 38: Metro Manila, Philippines - Extends General Community Quarantine Until August 15, 2020 Amid Increase in COVID-19 Cases

**July 16, 2020**

**Medium**

Update 37: Manila, Philippines - Extends Partial Quarantine Until July 31, 2020 Amid Increase in COVID-19 Cases

**July 14, 2020**

**Medium**

Update 36: Navotas, Manila - Reimposes Lockdown Amid Increase in COVID-19 Cases

**July 8, 2020**

**Medium**

Update 35: Philippines - Resumes Non-Essential Foreign Travel Amid Certain Restrictions

**July 1, 2020**

**Medium**

Update 34: Metro Manila, Philippines - Extends General Community Quarantine Until July 15

**June 18, 2020**

**High**

Update 33: Philippines - Extends Lockdown in More Regions Due to Increase in COVID-19 Cases

**June 16, 2020**

**Medium**

Update 32: Philippines - Extends Partial Lockdown in Manila for Another Two Weeks and Announces Relaxation in Certain Regions

June 6, 2020

High

Update 31: Philippines - Records Highest Unemployment Rate of 17.7%; Total COVID-19 Cases Increase to 20,626

May 29, 2020

High

Update 30: Metro Manila, Philippines - Eases Restrictions Starting June 1, 2020 to Aid Economy Amid COVID-19 Pandemic

May 26, 2020

High

Update 29: Metro Manila, Philippines - Plans to Ease COVID-19 Restrictions Starting June 1, 2020

May 15, 2020

Immediate

Update 28: Philippines - Suffers Twin Threat as Typhoon 'Ambo' Hits COVID-19 Affected Regions

May 14, 2020

High

Update 27: Philippines - Plans Partial Reopening of Businesses from May 16 to Support Economy Amid COVID-19 Pandemic

May 12, 2020

Immediate

Update 26: Philippines - Extends COVID-19 Lockdown in Certain Regions Until May 31, 2020; Announces Few Relaxations

May 10, 2020

High

Update 25: Philippines - Allows International Flight Arrivals for One Month Starting May 11, 2020

May 7, 2020

High

Update 24: Philippines - Reports Economic Contraction by 0.2% Amid COVID-19 Pandemic, First Decline Since Q4 1998

May 4, 2020

Immediate

Update 23: Metro Manila, Philippines - Relaxation in COVID-19 Restrictions Anticipated After May 15, 2020

May 3, 2020

Immediate

Update 22: Philippines - Suspends International Flights Until May 10, 2020 Amid COVID-19 Pandemic

May 2, 2020

High

Update 21: Philippines - Relaxes COVID-19 Restrictions Amid Increasing Cases

April 30, 2020

Immediate

Update 20: Tondo, Philippines - Announces Two-Day Lockdown, Starting May 3, Amid COVID-19 Pandemic

April 24, 2020

Immediate

Update 19: Luzon, Philippines - Extends COVID-19 Enhanced Community Quarantine Until May 15, 2020

April 22, 2020

Immediate

Update 18: Philippines - Expects Lockdown Extension in Regions with High COVID-19 Cases

April 20, 2020

Immediate

Update 17: Philippines - Armed Forces Confirm Preparedness for 'Martial-Law Like' Lockdown; Sampaloc Placed Under 48-Hour Lockdown

April 17, 2020

High

Update 16: Philippines - Warns of Imposing Martial Law-Like Lockdown to Fight COVID-19 Pandemic

April 15, 2020

High

Update 15: Philippines - International Monetary Fund Predicts Economic Growth Contraction to 0.6% in 2020; Unemployment Rate to Increase to 6.2%

April 14, 2020

High

Update 14: Barangay, Philippines - Imposes 24-Hour Lockdown to Control COVID-19 Outbreak

April 13, 2020

Immediate

Update 13: Philippines - Reports Highest Death Toll of 50 in Last 24 Hours

April 10, 2020

Immediate

Update 12: Philippines - COVID-19 Confirmed Cases Exceed 4,000

April 7, 2020

Immediate

Update 11: Luzon, Philippines - Extends Lockdown Until April 30, 2020 to Contain COVID-19 Pandemic

April 6, 2020

Immediate

Update 10: Luzon, Philippines - Government Considers Extension of Lockdown by Two Weeks Amid Increasing COVID-19 Cases

April 4, 2020

High

Update 9: Philippines - Economy Expected to Slow Down to 2% in 2020; Recovery Anticipated in 2021

April 2, 2020

Immediate

Update 8: Manila, Philippines - Records Largest Single-Day Increase in COVID-19 Cases

March 30, 2020

Immediate

Update 7: Philippines - Reports Highest Daily Increase in COVID-19 Cases

March 28, 2020

Immediate

Update 6: Philippines - COVID-19 Cases Rise to 803; Lockdown in Luzon until April 12, 2020

March 26, 2020

Immediate

Update 5: Philippines - Declares State of National Emergency Amid Spike in COVID-19 Cases

March 22, 2020

Immediate

Update 4: Philippines - COVID-19  
Cases Rise to 380; Month-Long  
Lockdown in Place - Metro Manila

March 16, 2020

Immediate

Update 3: Philippines - Curfew  
Declared to Contain Coronavirus  
Infection - Metro Manila

March 13, 2020

Immediate

Update 2: Philippines - Restricts Travel  
Until April 14, 2020 Amid Coronavirus  
Pandemic - Metro Manila

March 9, 2020

Immediate

Update 1: Philippines - Declares Public  
Health Emergency Amid Coronavirus  
Outbreak

Jan. 30, 2020

Low

Philippines - Coronavirus Infection  
Cases

# Impact level Definitions

Impact Level	Definitions
Immediate	<b>Certain</b> - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	<b>Highly likely to occur in the near term (within 3 months)</b> - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	<b>Likely to occur in the mid-term (within 3 to 6 months)</b> - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	<b>Possible in the long-term (after 6 months)</b> - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.