

Update 49: Philippines - Economy Contracts by 11.5% YoY in Q3 2020 Amid COVID-19 Pandemic

- Philippine economy contracted by 11.5% in the third quarter, but not as deeply as the 16.9% contraction recorded during the second quarter of 2020
- Earlier this month, Philippines has revised second-quarter GDP contraction to 16.9% year-on-year from 16.5%
- The Philippines imposed one of the world's longest and strictest lockdowns earlier this year as it was hard hit by COVID-19, tipping the economy into its first recession in nearly 30 years in the April-June period
- GDP grew a seasonally adjusted 8% quarter-on-quarter in the July-September period as the government gradually lifted restrictions from the middle of May to help ease the economic pain
- Household spending fell 9.3% in the third quarter from the year before and investment slumped 37.1% over the same period
- Government spending rose 5.8% in the third quarter from a year ago, compared with a 21.8% surge in the second quarter
- According to economists, improvements are likely to be harder to come by in the quarters ahead
- 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/philippines-economy-gdp-idUSL1N2HW05J>
<https://www.channelnewsasia.com/news/business/philippines-economy-contracts-gdp-covid-19-q3-duterte-13506718>
<https://www.eurasiareview.com/11112020-philippine-economy-shrank-by-11-5-percent-in-third-quarter/>
<https://www.straitstimes.com/business/economy/philippine-economy-signals-shaky-recovery-from-worst-of-coronavirus#:~:text=Gross%20domestic%20product%20shrank%2011.5,a%209.6%20per%20cent%20decline.>
<https://www.todayonline.com/world/philippines-second-quarter-gdp-contraction-revised-169-year-year-165>

Targets Affected:

Philippines

Category(s):

Geo-Political Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts

Nov. 6, 2020

Medium

Update 48: Philippines - China
Suspends Entry of Foreigners from
Philippines Amid Rise in COVID-19
Cases

Oct. 30, 2020

Medium

Update 47: Philippines - Reports 1,761
New COVID-19 Cases, Totaling
376,935

Oct. 20, 2020

Medium

Update 46: Philippines - Eases Curfew
Hours in Capital Manila Amid COVID-
19 Pandemic

Oct. 16, 2020

Medium

Update 45: Philippines - Eases Certain
Travel Restrictions Amid COVID-19
Pandemic

Oct. 13, 2020

Medium

Update 44: Philippines - Reports
Highest Daily Increase of 3,564
COVID-19 Cases Since September
2020, Raising National Total to 342,816

Sept. 29, 2020

Medium

Update 43: Metro Manila, Philippines -
Extends Partial COVID-19 Restrictions
Until October 31, 2020 to Curb the
Spread of Infections

Sept. 1, 2020

Medium

Update 42: Manila, Philippines -
Extends Partial COVID-19 Restrictions
Until September 30, 2020 to Curb the
Spread of Infections

Aug. 18, 2020

Medium

Update 41: Manila, Philippines - Eases
Lockdown Commencing August 19,
2020 to Boost Economy Amid COVID-
19 Crisis

Aug. 6, 2020

Medium

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

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	Certain - 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	Highly likely to occur in the near term (within 3 months) - 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	Likely to occur in the mid-term (within 3 to 6 months) - 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	Possible in the long-term (after 6 months) - 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.