



Senate Economic
Planning Office

The Economy

At a Glance

January 2005

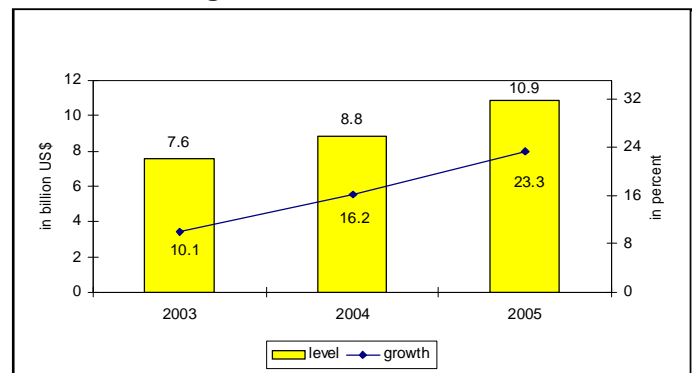
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The country posted a balance of payments surplus of US\$2.047 billion in 2005, a reversal from last year's deficit of US\$280 million. This report highlights the trends of the accounts that contributed to the surplus.

OFW Remittances

- Remittances from Overseas Filipino Workers (OFWs) in 2005 posted a growth of 23.3-percent reaching US\$10.9 billion compared to US\$8.8 billion a year ago.
- Deployment also grew by 8.3 percent, from 887,603 workers in 2004 to 960,847 workers in 2005.

Figure 1. OFW Remittances



Source: BSP

External Debt

Table 1. External Debt (in billion US\$)

Period	Public	Private	Total	Outstanding External Debt
Jan-Sep 2005	3.9	12.3	16.2	55.5
2004	4.9	12.2	17.1	54.8
2003	4.4	8.9	13.3	57.4

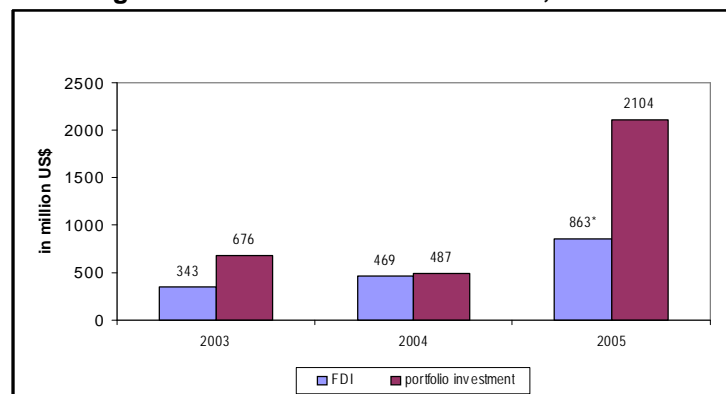
Source: BSP

- The country's outstanding external debt reached US\$55.5 billion in September 2005.
- Both the national government and private sector borrowed aggressively in the first nine months of 2005 to finance the budget deficit and pay off maturing obligations.

Investment

- Total net foreign direct investment (FDI) flows from January to October 2005 reached US\$863 million, up by 64.4 percent from a year ago.
- Bangko Sentral-registered foreign portfolio investments grew more than four times in 2005 at US\$2.1 billion compared with US\$486.8 million in 2004.

Figure 2. FDI & Portfolio Investment, '03-'05



Source: BSP

*FDI data as of October 2005

Table 2. Philippine Economic Performance Indicators

INDICATOR	Latest Period		Period of Comparison	
BASIC MACROECONOMIC/REAL				
Real GDP (growth rate, in %)	5.1	2005	6.0	2004
Real GNP (growth rate, in %)	5.7	2005	6.2	2004
FISCAL INDICATOR				
Revenue (in PhP B)	795.7	2005	699.8	2004
Tax revenue (in PhP B)	684.4	2005	598.0	2004
Expenditures (in PhP B)	942.2	2005	886.8	2004
NG surplus / (deficit) (in PhP B)	(146.5)	2005	(187.1)	2004
Consolidated public sector surplus / (deficit) (in PhP B)	(74.6)	Jan-Sep '05	(166.2)	Jan-Sep '04
Consolidated public sector surplus / (deficit) (as % of GDP)	(1.9)	Jan-Sep '05	(4.8)	Jan-Sep '04
NG debt (in PhP B)	3,951.7	as of Oct '05	3,754.6	as of Oct '04
NG debt (as % of GDP)	75.8	as of Oct '05	80.4	as of Oct '04
Public debt (in PhP B)	5,483.4	as of June '05	5,330.6	as of Mar '04
Public debt (as % of GDP)	107.9	as of June '05	107.7	as of Mar '04
MONETARY				
Inflation rate (average, in %)	7.6	2005	6.0	2004
91-day treasury bill rate (average, in %)	6.4	2005	7.3	2004
EXTERNAL				
Exports (in US\$ B)	37.4	Jan-Nov '05	36.4	Jan-Nov '04
Imports (in US\$ B)	40.9	Jan-Nov '05	40.8	Jan-Nov '04
Current account surplus / (deficit) (in US\$ M)	1,205	Jan-Sep '05	584	Jan-Sep '04
Current account surplus / (deficit) (% of GNP)	1.6	Jan-Sep '05	0.9	Jan-Sep '04
Balance of payments surplus / (deficit) (in US\$ M)	2,047	2005	(280)	2004
Balance of payments surplus / (deficit) (% of GNP)	2.0	2005	(0.3)	2004
External debt (US\$ M)	55,480	Jan-Sep '05	55,610	Jan-Sep '04
External debt (as % of GNP)	55.5	Jan-Sep '05	60.3	Jan-Sep '04
Gross international reserves (months worth of imports)	3.8	as of Dec 2005	3.8	as of Dec 2004
Pesos per US dollar exchange rate (monthly average)	55.09	2005	56.04	2004
LABOR AND EMPLOYMENT INDICATOR				
Labor force population (in '000)	35,496	Oct '05	34,176	Oct '04
Labor force participation rate (in %)	64.8	Oct '05	63.8	Oct '04
Unemployment rate (in %)	7.4	Oct '05	7.1	Oct '04
Underemployment rate (in %)	21.2	Oct '05	16.9	Oct '04

Sources: BSP, DOF, BTr, NEDA, NSO and NSCB