

BALANCE OF PAYMENTS DEVELOPMENTS

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First Quarter 2010 Developments

Overall BOP Position

Q1 2010 BOP remains in surplus. The balance of payments (BOP) yielded a surplus of US\$1.4 billion in Q1 2010. This was, however, lower by 21.3 percent compared to the US\$1.7 billion surplus registered in the same quarter a year ago. This developed as a result of the weaker performance of the current account even as the capital and financial account posted a significant improvement (Table 1).

Balance of Payments (in million US\$)			
	Q1		Growth Rate (%)
	2010	2009	
Current Account	1847	1861	-0.8
Capital & Fin'l Account	-51	-1445	96.5
Net Unclassified Items	-433	1316	-132.9
Overall BOP	1363	1732	-21.3

Current Account

The current account surplus slightly declines. The current account remained in surplus at US\$1.8 billion (equivalent to 4.4 percent of GDP), but posted a modest decline of almost one percent relative to the level of a year ago. The lower current account surplus emanated from the higher trade-in-goods deficit and net income payments as well as lower net services receipts. Meanwhile, higher net receipts from current transfers were registered during the period driven mainly by higher remittances of non-resident overseas Filipinos (OFs).

▪ Trade-in-Goods

Trade-in-goods deficit widens. The trade-in-goods deficit, amounting to US\$2.3 billion, rose by 1.5 percent compared to the deficit recorded in the same quarter a year ago. On a year-on-year basis, imports during the quarter increased by a slightly higher level than those of exports. These developments reflected the pick-up in domestic economic activity and improved external demand given firmer signs of the global economic recovery. Major export commodities, particularly electronic products which are import-dependent, bounced back during the quarter in review.¹

¹ Electronic products, the major export driver, account for more than 60.0 percent of total exports.

**❖ Exports of Goods**

Exports of goods rebound. Exports of goods increased significantly by 43.5 percent to US\$11.1 billion, reversing the 37.1 percent contraction recorded in the same quarter a year ago (Table 2.1).² Demand from traditional export destinations such as the US, Japan, and China experienced a strong revival. In particular, stronger-than-expected gains in export revenues of the following commodity items were observed:

- Manufactures, accounting for more than 85.0 percent of total exports, grew by 45.7 percent to reach US\$10.0 billion from US\$6.9 billion in the same period in 2009. Nearly all commodity items expanded at double-digit levels.
 - Electronic products exports (including other electronics), comprising about 69.0 percent of manufactures, rose by 51.3 percent to reach US\$6.9 billion from US\$4.6 billion last year. The favorable performance of electronic products exports was consistent with the improved book-to-bill ratio of 1.2 in March, reflecting increased orders for this commodity group in the coming months. The double-digit growth was also partly due to the base effect of the previous year's low exports level as the global recession exerted a heavy toll on global trading activities.

During the quarter in review, demand was strong for components used in wireless devices and solar-powered gadgets. Export receipts from semiconductors, accounting for almost 70.0 percent of total electronic products (or 41.7 percent of total exports), increased by more than 50.0 percent in contrast to last year's decline of 45.0 percent. Similarly, sales of electronic data processing parts/equipment, the second largest component of total electronics products exports (almost 20.0 percent), expanded by 61.3 percent.
 - Machinery and transport equipment exports expanded by 63.8 percent to US\$770 million from US\$470 million the previous year owing to higher shipments of parts and accessories of motor vehicles (i.e., road wheels and parts and

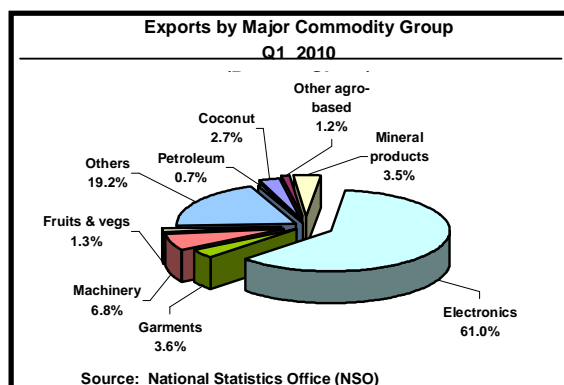
² Based on BPM5 concept (i.e., excluding from the National Statistics Office (NSO) foreign trade figures those goods that did not involve change in ownership)



accessories).

- Chemical exports, valued at US\$379 million, more than doubled on account of increased sales of sulphides, lauryl alcohol, mineral or chemical fertilizers, and chemicals for washing preparations.
- Other manufactured products exports showed remarkable growth such as: iron and steel (44.8 percent), travel goods and handbags (40.0 percent), baby carriage, toys, games, and sporting goods (35.7 percent), textile yarns/fabrics (31.0 percent), furniture and fixtures (29.6 percent), and basketwork, wickerwork, and other articles of plaiting materials (22.2 percent).
- Mineral products exports reached US\$391 million, up by 12.0 percent from the previous year's level. Specifically, higher exports of copper concentrates (335.7 percent) and copper metal (27.0 percent) were noted, benefiting from the nearly doubling of their international prices to US\$1,212/mt (from US\$714/mt) and US\$6,968/mt (from US\$3,242/mt), respectively.
- Coconut products exports surged by 135.6 percent owing to robust demand for coconut oil (238.7 percent) and copra meal/cake (548.5 percent), both of which recorded negative volume growth in the first quarter of last year. Coconut oil exports more than tripled on account of its cheaper price compared to that of its substitute, palm kernel oil, whose price has been increasing since the fourth quarter of last year.
- Petroleum products exports grew almost three-fold (192.3 percent) to US\$76 million, partly due to increased sales of petroleum naphtha, reformato or preparations for preparing spirits.
- Other agro-based products increased by 23.6 percent to US\$136 million on account of higher shipments of abaca fibers (200.0 percent), natural rubber (100.0 percent), dried seaweeds (50.0 percent), unmanufactured tobacco (38.5 percent) and fish, fresh or preserved (10.0 percent).

On the other hand, exports of fruits and vegetables and sugar and products fell by 18.9 percent and 3.8 percent, respectively. Bananas, the biggest earner among fruit exports, recorded a 20.8 percent drop in export revenues due to lower volume and quality of harvest that resulted from the El Niño dry spell.



❖ Imports of Goods

Imports of goods likewise recover. Imports of goods expanded by 34.0 percent to US\$13.4 billion, tracking the sharp increase in export earnings during the period in review. Coming from a low base like exports, imports registered strong positive growth across all major commodity groups (Table 2.2).³

- Raw materials and intermediate goods imports rose by 19.6 percent due to increased purchases of semi-processed raw materials (23.5 percent) particularly chemicals such as: fertilizer excluding urea (173.1 percent); artificial resins (42.0 percent); chemical compounds (19.1 percent) and medicinal and pharmaceutical chemicals (5.6 percent). In particular, manufactured goods imports expanded by 28.7 percent on account of higher imports of non-ferrous metals (105.3 percent), non-metallic mineral manufactures (42.1 percent), metal products (32.1 percent), paper and paper products (29.7 percent) and iron and steel (17.0 percent). Materials/accessories for the manufacture of electronic equipment, comprising more than 55 percent of raw materials and intermediate goods imports, increased by 26.1 percent in tandem with the rebound of electronics exports.
- Capital goods imports grew by 42.8 percent, propped up by the expansion in economic activity. Double-digit growth in the purchases of the following commodity goods was noted: power generating and specialized machines (41.2 percent); office and EDP machines (54.0 percent); telecommunication equipment and electrical machinery (35.2 percent); land transport equipment excluding

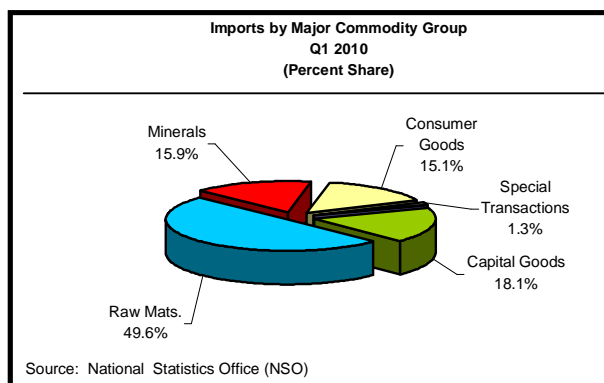
³ Based on BPM5 concept (i.e., excluding from the National Statistics Office (NSO) foreign trade figures those goods that did not involve change in ownership); imports per BOP also reflect: a) upward adjustments on the valuation of consigned raw materials; b) OF remittances in kind; and c) military imports, among others.



passenger cars and motorized cycles (69.7 percent); aircraft, ships and boats (20.4 percent) and professional, scientific, and controlling instrumentation, photographic equipment and optical goods (39.4 percent).

- Mineral fuels and lubricants rose by 55.1 percent, as imports of petroleum crude grew by 316.6 percent on account of higher import volume and price (from US\$59.47 to US\$76.18 per barrel).
- Consumer goods posted the highest gain among import categories, growing by 64.8 percent to reach US\$2.0 billion. Durable and non-durable goods purchases increased by 32.2 percent and 85.8 percent, respectively. Imports of passenger cars and motorized cycle grew by 61.1 percent while shipments of food and live animals chiefly for food expanded by 88.9 percent, due to higher importation of rice (192.9 percent), fish and fish preparation (66.7 percent), dairy products (56.6 percent), and fruits and vegetables (1.7 percent).

Both the import volume and price of rice increased during the quarter at 157.2 percent and 13.9 percent, respectively. The volume of rice imports increased to 1.2 million metric tons from 0.5 million metric tons imported in the same quarter last year due mainly to the pre-emptive importation of the National Food Authority (NFA) to mitigate the effects of the El Niño phenomenon.



▪ **Trade-in-Services**

Surplus in trade-in-services moderately contracts.

The trade-in-services account registered a surplus of US\$826 million in Q1 2010, slightly lower than the US\$855 million surplus in the same quarter a year ago. The 3.4 percent decline was due mainly to higher net payments in travel, construction, transportation (notably payments for freight, in line with the rise in imports of goods), financial, royalties and license fees and government services. These



were, however, mitigated by the gains posted in computer and information, communication and other business services, specifically miscellaneous, business, professional, and technical services which are comprised largely of business process outsourcing (BPO)-related transactions (Table 3).

Specifically, net receipts from computer and information services amounted to US\$262 million (or a growth of about one percent) while those from miscellaneous, business, professional and technical services rose by 30.7 percent to US\$1.5 billion during the quarter in review. The country's BPO industry continued to be an important economic growth driver despite the challenges posed by the global financial crisis. The Philippines has emerged as a key destination for global BPO services supported by the improved performance of both the voice and non-voice segments. With encouraging signs of world economic recovery, the industry is projecting a robust 26.0 percent expansion this year, on the back of a wider range of service offerings and diversified markets.

▪ **Income**

Income account deficit widens. The income account recorded a higher deficit of US\$596 million from US\$553 million deficit in the same quarter a year ago. This resulted primarily from increased net payments in the investment income account which more than offset the improvement in the gross earnings of resident overseas Filipino (OF) workers by 11.2 percent to US\$1.2 billion.⁴

The major contributory factors to the larger investment income deficit were: a) higher net income payments on portfolio investments (by 15.4 percent) due to increased dividends distributed by banks and private corporations to non-resident portfolio equity investors; b) higher net income payments by residents to direct investors abroad (by 9.9 percent) specifically dividends and distributed branch profits; c) higher interest payments on bonds issued by the general government (by 1.5 percent); and d) lower interest income receipts from holdings of debt securities by the monetary authorities (19.8 percent) and corporations (41.3 percent) due to declining global interest rates (Table 4).

⁴ Under the BPM5, the residency of workers such as OFWs is classified according to the length of their stay in the host economy. OFWs who work for less than one year are classified as resident OFWs (e.g., performing artists and sea-based workers) and their gross earnings are reflected under the Income account. Meanwhile, OFWs who work for one year or more in the host economy are classified as non-resident OFWs (i.e., all land-based workers, except performing artists) and their remittances are reported under the Current Transfers account.

**▪ Current Transfers**

Higher remittances of non-resident OFs boost the current transfers account. Net receipts from current transfers rose by 2.4 percent to US\$3.9 billion from the year-ago level, bolstered by higher remittances of non-resident OFs which grew by 5.9 percent to US\$3.7 billion (Table 5). The steady remittance flows continued to be propelled mainly by sustained strong demand for Filipino skills and expertise as well as the expanded access to enhanced banking services by overseas Filipinos and their beneficiaries. Prospects for overseas deployment of Filipino workers remain favorable, as employment opportunities are expected to expand as global economic activity gains steam.

Capital and Financial Account

Capital and financial account balance improves significantly in Q1 2010. The capital and financial account balance improved in Q1 2010, recording significantly lower net outflows of US\$51 million compared to the US\$1.4 billion net outflows a year ago. This development was attributed to the notable improvement in the portfolio and other investment accounts, which made up for the lower direct investment net inflows during the review quarter.

▪ Capital Account

Capital account balance is unchanged. Net inflows in the capital account almost remained steady at US\$17 million in Q1 2010. These inflows consisted largely of grants extended by international institutions/agencies to the National Government (NG) amounting to US\$24 million (Table 6).⁵

▪ Direct Investment

Direct investments post lower net inflows... Direct investments posted lower net inflows of US\$166 million in Q1 2010, from US\$282 million in Q1 2009. The lower level of net inflows was traced to higher residents' equity capital investments abroad which aggregated US\$230 million from US\$52 million in Q1 2009. These outflows were offset, however, by non-residents' investments in the country which rose to US\$396 million.

The bulk of the foreign direct investment (FDI) net inflows during the review quarter were recorded in the other capital account which posted net inflows of US\$319 million in contrast to the US\$48 million net outflows a year ago. These consisted largely of intercompany loans availed of by local subsidiaries from their parent companies abroad, which

⁵ The capital account consists largely of capital transfers. Capital transfers involve the change in the stock of assets attributed to transactions such as disposal and acquisition of fixed assets. By contrast, current transfers involve transactions that affect the level of disposable income and influence consumption of goods and services.



primarily benefited the services (BPO) and utilities sectors.

Equity capital yielded net inflows of US\$45 million. This was, however, lower by 90 percent compared to the year-ago level, as investors remained risk averse on concerns about the sovereign debt problems in the Euro Zone and election-related jitters. Specifically, gross equity capital requirements amounting to US\$131 million were lower than those of the previous year, which totaled US\$471 million. Investors came from the U.S., Switzerland, Japan, Netherlands, and Singapore. The manufacturing, utilities, services, financial intermediation, and real estate sectors were the recipients of these equity capital inflows.

Reinvested earnings reversed to a net inflow of US\$32 million, from a net outflow of US\$78 million in the previous year. This reflected the positive corporate earnings results during the first quarter of 2010 that encouraged investors to retain earnings/profits in local enterprises (Table 7).

▪ Portfolio Investments

... but portfolio investments improve; net portfolio outflow narrows. Portfolio investment net outflows narrowed to US\$542 million, compared to the US\$643 million recorded in Q1 2009. The reversal of non-residents' portfolio investments to a net inflow of US\$332 million contributed largely to this development. The recovery in portfolio investments was also supported by the robust trading activity in the stock market.

The outflows of portfolio investments included:

- a) Net purchase by residents through secondary market trading of Philippine debt papers issued abroad by the NG (US\$881 million) and some private corporations (US\$173 million);
- b) Bond repayments made by NG (US\$1.4 billion) and some public and private corporations (US\$453 million);⁶ and
- c) Residents' debt securities placements abroad (US\$871 million).

Meanwhile, inflows, which partly offset the abovementioned outflows, consisted of:

- a) Non-residents' subscription to the bond flotations by the NG (consisting of the US\$1.5 billion Global Bonds and US\$1.1 billion Samurai Bonds) and some public and private corporations (US\$266 million); and

⁶ Includes bonds/notes prepayment by the private sector amounting to US\$259 million.



- b) Non-residents' net equity securities placements in private corporations (US\$193 million).

Financial Derivatives

Financial derivatives' trading records loss. Banks' trading in financial derivatives recorded a net loss of US\$44 million, a reversal of the net gain of US\$22 million realized in the comparable quarter in 2009 (Table 9).

Other Investments

Other investments improve; post net inflows. The other investment account reversed to a net inflow of US\$352 million in Q1 2010, from a net outflow of US\$1.1 billion a year ago, due to the following:

- a) Trade credits extended by non-residents to private corporations (US\$1.1 billion);⁷ and
b) Currency and deposit placements by non-residents in local banks (US\$484 million).

The following outflows, however, dampened the impact of the above inflows:

- a) Currency and deposit placements abroad by resident banks (US\$1.1 billion); and
b) Net repayment of maturing loans by the NG (US\$33 million), resident banks (US\$25 million), and some corporates (US\$69 million).⁸

Reserve Assets

Gross international reserves continue to rise. The country's gross international reserves (GIR) as of the first quarter of 2010 rose to US\$45.6 billion, 16.8 percent higher than the year-ago level of US\$39.0 billion. At this level, reserves could adequately cover 9.0 months' worth of imports of goods and payments of services and income. In terms of short-term external debt coverage, the reserves level was 11.4 times the amount of the country's short-term external liabilities based on original maturity and 5.1 times based on residual maturity.⁹

As of end-March 2010, reserves were mainly held in the form of foreign investments (83.1 percent), with the balance in gold (13.1 percent), SDRs (2.4 percent), foreign exchange (1.1 percent), and reserve position in the Fund (0.3 percent). In terms of currency composition, reserves (excluding gold) were held in US dollars (72.4 percent), Japanese yen

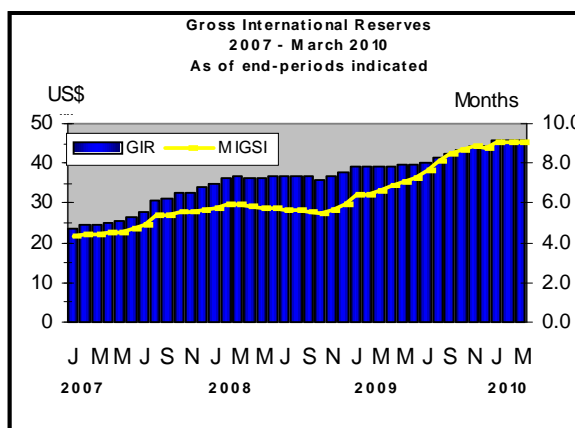
⁷ These trade credit transactions refer to short-term loans extended by foreign companies to finance importation requirements of some private corporations/enterprises.

⁸ Includes loan prepayments made by the private sector amounting to US\$62 million.

⁹ Residual maturity refers to outstanding short-term debt based on original maturity plus principal payments on medium- and long-term loans of the public and private sectors falling due in the next 12 months.



(16.8 percent), euros (4.2 percent), and other foreign currencies (6.6 percent).¹⁰



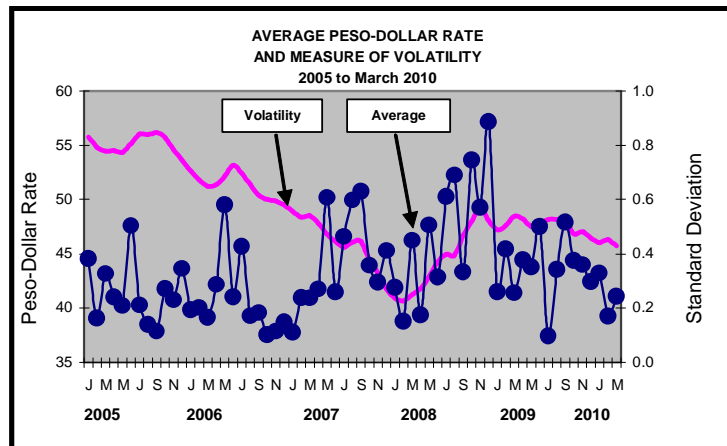
Exchange Rate

Peso strengthens... During the first three months of 2010, the peso-dollar exchange rate averaged ₱46.03/US\$1, appreciating by 3.7 percent compared to the average of ₱47.75/US\$1 in the same period last year.¹¹ The underlying factors which have been instrumental to the peso appreciation included strong foreign exchange inflows from foreign portfolio investments, merchandise exports, and overseas Filipinos' remittances. Also positively supporting the peso appreciation was the improved risk appetite for emerging market assets on expectations that the global economic recovery has gained traction.

... and volatility declines. The peso remained firm during the review period as the standard deviation of the peso's movements decreased by around half to ₱0.34, from ₱0.62 posted in the same period in 2009, indicating less volatility. On a daily basis, the peso-dollar exchange rate ranged from ₱45.22/US\$1 to ₱46.74/US\$1 during the first three months of 2010.

¹⁰ Similar to the previous year, the bulk of reserves was also held in U.S. dollars (77.5 percent).

¹¹ Dollar rates or the reciprocal of the peso-dollar (reference) rates were used to compute for the year-on-year percent change.



Peso loses some external price competitiveness against MTPs, but gains against competitor countries.

Relative to last year's levels, the peso's average nominal effective exchange rate (NEER) index for Q1 2010 slightly appreciated by 0.7 percent against the currency baskets of its major trading partners (MTPs), but depreciated against the currency baskets of its broad and narrow competitor countries, by 11.6 percent and 14.0 percent, respectively.¹² In terms of the real effective exchange rate (REER), the peso lost some external price competitiveness against the baskets of currencies of MTPs as the REER index of the peso against this basket increased by 3.7 percent in the first quarter.¹³ This stemmed from the combined effects of the nominal appreciation of the peso and the positive inflation differential against the MTPs. Meanwhile, the peso's REER index against the competitor countries in both the broad and narrow series decreased by 10.2 percent and 13.2 percent, respectively, indicating that the peso gained some external price competitiveness against these competitor countries during the review quarter. This came about as the nominal depreciation of the peso against the currency basket of competitor countries more than offset the positive inflation differential against its competitor countries.

¹² The NEER index represents the weighted average exchange rate of the Philippine peso vis-à-vis 3 baskets of foreign currencies of major trading partners and competing countries (i.e., broad and narrow economies). Major trading partners include the U.S., Japan, European Monetary Union and the U.K. The broad basket is composed of the currencies of Singapore, South Korea, Taiwan, Thailand, Malaysia, Indonesia, and Hong Kong, while the narrow basket is composed of the currencies of Indonesia, Malaysia, and Thailand.

¹³ The REER index is derived from the NEER index by adjusting for inflation differentials.



Balance of Payments

First Quarter 2010

EFFECTIVE EXCHANGE RATE INDICES OF THE PESO							
For periods indicated							
December 1980=100							
		NEER			REER		
		MTP ^{1/}	CC		MTP ^{1/}	CC	
			Broad ^{2/}	Narrow ^{3/}		Broad ^{2/}	Narrow ^{3/}
2007	Jan	13.50	30.19	62.99	73.30	113.70	157.96
	Feb	13.63	30.44	63.27	73.51	113.70	156.93
	Mar	13.46	30.39	63.19	72.29	113.21	156.70
	Qtr 1	13.53	30.34	63.15	73.03	113.54	157.20
	Apr	13.59	30.62	63.51	72.87	113.64	155.55
	May	13.93	30.96	63.62	74.77	115.94	159.86
	Jun	14.21	31.58	65.18	76.83	120.05	166.06
	Qtr 2	13.91	31.05	64.10	74.82	116.55	160.49
	Jul	14.24	31.82	65.82	78.33	122.17	168.62
	Aug	14.02	32.08	67.01	77.28	123.11	172.58
	Sep	13.87	32.00	66.97	75.78	121.31	170.04
	Qtr 3	14.04	31.97	66.60	77.13	122.20	170.41
	Oct	14.32	32.64	68.02	78.07	121.44	170.44
	Nov	14.41	33.65	70.49	78.88	126.86	176.71
	Dec	15.01	34.94	73.07	82.62	131.17	183.81
	Qtr 4	14.58	33.74	70.53	79.85	126.49	176.99
Ave	Jan-Dec	14.01	31.78	66.09	76.21	119.69	166.27
2008	Jan	15.01	38.10	78.48	83.62	139.08	187.77
	Feb	15.08	38.04	78.22	83.90	137.18	185.32
	Mar	14.45	37.30	76.36	80.74	135.67	181.76
	Qtr 1	14.85	37.82	77.69	82.75	137.31	184.95
	Apr	14.23	36.83	75.46	80.92	134.84	179.22
	May	13.97	36.41	74.41	80.24	135.46	181.41
	Jun	13.61	35.42	72.68	79.59	134.71	180.03
	Qtr 2	13.94	36.22	74.18	80.25	135.00	180.22
	Jul	13.35	34.64	70.99	79.74	133.44	177.13
	Aug	13.65	35.03	71.40	82.05	136.39	180.60
	Sep	13.25	34.56	70.07	78.73	132.70	173.96
	Qtr 3	13.42	34.74	70.82	80.18	134.18	177.23
	Oct	13.07	35.44	71.20	77.61	133.87	174.68
	Nov	12.93	37.23	77.49	77.40	141.04	189.35
	Dec	12.87	37.76	78.20	76.70	141.40	190.07
	Qtr 4	12.96	36.81	75.63	77.24	138.77	184.70
Ave	Jan-Dec	13.79	36.40	74.58	80.10	136.32	181.78
2009	Jan	13.11	44.17	93.25	77.90	152.32	197.58
	Feb	13.24	45.74	97.25	78.63	157.46	204.99
	Mar	13.04	45.32	96.24	77.56	156.05	202.76
	Qtr 1	13.13	45.08	95.58	78.03	155.28	201.78
	Apr	13.07	43.12	91.03	78.02	148.52	190.75
	May	13.02	41.82	87.84	77.84	146.08	189.68
	Jun	12.78	41.04	85.68	76.63	145.59	187.47
	Qtr 2	12.96	42.00	88.18	77.50	146.73	189.30
	Jul	12.64	40.72	84.82	76.94	145.20	185.77
	Aug	12.59	40.26	83.78	76.68	144.11	184.34
	Sep	12.42	39.91	83.13	75.19	141.02	180.34
	Qtr 3	12.55	40.30	83.91	76.27	143.44	183.48
	Oct	12.66	39.84	82.52	76.88	139.48	178.00
	Nov	12.54	39.52	81.86	76.78	140.06	176.76
	Dec	12.79	40.04	82.98	78.70	141.63	179.56
	Qtr 4	12.67	39.80	82.46	77.46	140.39	178.11
Ave	Jan-Dec	12.83	41.79	87.53	77.31	146.46	188.17
2010	Jan	13.07	39.86	82.41	80.01	139.90	175.82
	Feb	13.18	39.89	82.36	80.72	139.15	174.83
	Mar	13.41	39.80	81.92	82.11	139.40	174.52
	Qtr 1	13.22	39.85	82.23	80.94	139.48	175.06
	Memo Items: % Change, y-o-y double check						
2008	Qtr 1	9.76	24.65	23.02	13.31	20.94	17.65
	Qtr 2	0.21	16.65	15.73	7.26	15.83	12.29
	Qtr 3	-4.42	8.66	6.34	3.95	9.80	4.00
	Qtr 4	-11.11	9.10	7.23	-3.27	9.71	4.36
	Jan-Dec	-1.57	14.54	12.85	5.10	13.89	9.33
2009	Qtr 1	-11.58	19.20	23.03	-5.70	13.09	9.10
	Qtr 2	-7.03	15.96	18.87	-3.43	8.69	5.04
	Qtr 3	-6.48	16.00	18.48	-4.88	6.90	3.53
	Qtr 4	-2.24	8.12	9.03	0.28	1.17	-3.57
	Jan-Dec	-6.96	14.81	17.36	-3.48	7.44	3.52
2010	Qtr 1	0.69	-11.60	-13.97	3.73	-10.18	-13.24

1/ Major trading partners: USA, Japan, European Monetary Union (EMU) and United Kingdom

2/ Competing countries (broad basket): Hong Kong, Singapore, South Korea, Taiwan, Malaysia, Thailand, and Indonesia.

3/ Competing countries (narrow basket): Indonesia, Malaysia, and Thailand.

1 PHILIPPINES: BALANCE OF PAYMENTS

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
CURRENT ACCOUNT	304	697	846	1847	1861	-0.8	83.7
(as percent of GNP)				3.8	4.5		
(as percent of GDP)				4.4	5.1		
Goods and Services	-767	-410	-305	-1482	-1418	-4.5	38.7
(as percent of GNP)				-3.0	-3.4		
(as percent of GDP)				-3.5	-3.9		
Export	4597	4391	5306	14294	10574	35.2	-27.8
Import	5364	4801	5611	15776	11992	31.6	-29.3
Goods 1/	-1060	-588	-660	-2308	-2273	-1.5	17.8
(as percent of GNP)				-4.7	-5.5		
(as percent of GDP)				-5.5	-6.3		
Credit: Exports	3493	3506	4117	11116	7744	43.5	-37.1
Debit: Imports	4553	4094	4777	13424	10017	34.0	-33.5
Services	293	178	355	826	855	-3.4	90.4
Credit: Exports	1104	885	1189	3178	2830	12.3	21.1
Debit: Imports	811	707	834	2352	1975	19.1	4.6
Income	-198	-175	-223	-596	-553	-7.8	-57.1
Credit: Receipts	467	467	521	1455	1387	4.9	-17.3
Debit: Payments	665	642	744	2051	1940	5.7	-4.4
Current Transfers	1269	1282	1374	3925	3832	2.4	4.1
Credit: Receipts	1303	1316	1424	4043	3935	2.7	4.3
Debit: Payments	34	34	50	118	103	14.6	9.6
CAPITAL AND FINANCIAL ACCOUNT	1405	-79	-1377	-51	-1445	96.5	-298.5
Capital Account	8	6	3	17	17	0.0	-19.0
Credit: Receipts	14	10	13	37	31	19.4	-6.1
Debit: Payments	6	4	10	20	14	42.9	16.7
Financial Account	1397	-85	-1380	-68	-1462	95.3	-306.8
Direct Investment	81	263	-178	166	282	-41.1	-42.9
Debit: Assets, Residents' Investments /	28	10	192	230	52	342.3	966.7
Credit: Liabilities, Non-Residents'	109	273	14	396	334	18.6	-31.6
Investments in the Phil.							
Portfolio Investment	1236	-971	-807	-542	-643	15.7	-164.2
Debit: Assets, Residents' Investments /	-98	220	752	874	373	134.3	135.6
Credit: Liabilities, Non-Residents'	1138	-751	-55	332	-270	223.0	-462.5
Investments in the Phil.							
Financial Derivatives	-31	0	-13	-44	22	-300.0	125.0
Debit: Assets, Residents' Investments /	-18	-23	-19	-60	-108	44.4	-17.4
Credit: Liabilities, Non-Residents'	-49	-23	-32	-104	-86	-20.9	52.2
Investments in the Phil.							

1 PHILIPPINES: BALANCE OF PAYMENTS

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
Other Investment	111	623	-382	352	-1123	131.3	-60.4
Debit: Assets, Residents' Investments /	103	-67	1050	1086	294	269.4	114.1
Credit: Liabilities, Non-Residents'	214	556	668	1438	-829	273.5	70.2
Investments in the Phil.							
NET UNCLASSIFIED ITEMS	-476	-743	786	-433	1316		
OVERALL BOP POSITION	1233	-125	255	1363	1732	-21.3	1.1
(as percent of GNP)				2.8	4.2		
(as percent of GDP)				3.2	4.8		
Debit: Change in Reserve Assets	1236	-121	259	1374	1752	-21.6	1.4
Credit: Change in Reserve Liabilities	3	4	4	11	20	-45.0	42.9
Use of Fund Credits	0	0		0	0	0.0	0.0
Short-term	3	4	4	11	20	-45.0	42.9
Memo Items:							
Change in Commercial Banks' (KBs)	94	1010	-2225	-1121	-1539	27.2	-206.1
Net Foreign Assets (NFA)							
OF Cash Remittances	1421	1463	1608	4492	4199	7.0	2.7
of which channeled thru the banking sy	1373	1413	1553	4339	4057	7.0	2.7
Basic Balance	284	844	893	2021	2226	-9.2	214.0
Net Unclassified Items as Percent of total T	-5.9	-9.8	8.8	-1.8	7.4		

p preliminary

1/ Data on goods import for 2009 and 2010 were adjusted to reflect preliminary adjustments on the valuation of raw materials for electronics and garments exports.

Technical Notes:

- Balances in the current and capital and financial accounts excluding reserves are derived by deducting debit entries from credit entries.
- Overall BOP position is determined by deducting change in reserve liabilities from change in reserve assets.
- Net unclassified items is an offsetting account to the overstatement or understatement in either receipts or payments of the recorded BOP components vis-à-vis the overall BOP position.
- Change in KBs NFA as a BOP entry is derived by deducting foreign assets from foreign liabilities, consistent with the principle described in technical note No. 1. This includes assigned capital of foreign banks in local branches that are converted to pesos.
- Basic balance represents a BOP position that excludes transactions that are volatile and are in the short run susceptible to being reversed. It is derived using the following formula: Overall BOP position less (Net portfolio investments + net short-term liabilities) less errors and omissions. In the old BOP series, all transactions in assets and liabilities of commercial banks were deemed to be long-term. With the refinements in the new series on the maturity structure of KBs' transactions, short-term financial transactions of KBs are now excluded from the basic balance.

2 GOODS

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
GOODS	-1060	-588	-660	-2308	-2273	-1.5	17.8
EXPORTS	3493	3506	4117	11116	7744	43.5	-37.1
IMPORTS	4553	4094	4777	13424	10017	34.0	-33.5
General Merchandise	-1156	-729	-848	-2733	-2552	-7.1	22.6
General Merchandise Exports, fob	2751	2712	3256	8719	5869	48.6	-32.2
Exports of goods in trade statistics, fob	3579	3570	4181	11330	7924	43.0	-36.8
Less: Adjustments	-828	-858	-925	-2611	-2055	-27.1	47.1
For Coverage	-86	-64	-64	-214	-180	-18.9	24.4
For Classification	-742	-794	-861	-2397	-1875	-27.8	48.6
For Valuation	0	0	0	0	0	0.0	0.0
For Timing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
General Merchandise Imports, fob	3907	3441	4104	11452	8421	36.0	-29.5
Imports of goods in trade statistics, fob	4287	3904	4543	12734	9599	32.7	-34.3
Less: Adjustments	-380	-463	-439	-1282	-1178	-8.8	55.7
For Coverage	-12	22	28	38	73	-47.9	-33.0
For Classification	-646	-653	-673	-1972	-1596	-23.6	48.8
For Valuation	278	168	206	652	345	89.0	-1.4
For Timing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Goods for processing: (On consignment)	119	156	219	494	223	121.5	-58.7
Exports	731	777	857	2365	1749	35.2	-49.5
Imports	612	621	638	1871	1526	22.6	-47.8
Processing Abroad:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Exports	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Imports	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Processing in the compiling economy	119	156	219	494	223	121.5	-58.7
Exports	731	777	857	2365	1749	35.2	-49.5
Imports	612	621	638	1871	1526	22.6	-47.8
Repairs on goods:	0	0	0	0	0	0.0	100.0
Exports	0	0	0	0	0	0.0	0.0
Imports	0	0	0	0	0	0.0	-100.0
Goods procured in ports by carriers	-30	-27	-35	-92	-63	-46.0	43.8
Exports	4	5	0	9	7	28.6	-89.6
Imports	34	32	35	101	70	44.3	-60.9
Nonmonetary Gold	7	12	4	23	119	-80.7	1.7
Exports	7	12	4	23	119	-80.7	1.7
Imports	0	0	0	0	0	0.0	0.0
Held as a store of value (Gold Bullion)	7	3	4	14	86	-83.7	-10.4
Exports	7	3	4	14	86	-83.7	-10.4
Imports	0	0	0	0	0	0.0	0.0
Others (Industrial Gold)	0	9	0	9	33	-72.7	57.1
Exports	0	9	0	9	33	-72.7	57.1
Imports	0	0	0	0	0	0.0	0.0

p - preliminary

n.a. - data not available

Adjustments to general merchandise exports/imports:

For coverage: Returned goods and temporary exports/imports are deducted from NSO totals.

For classification: a) Exports and imports on consignment are reclassified from general merchandise to goods for processing

b) Industrial gold and gold bullion are reclassified from general merchandise to non-monetary gold

c) Repairs on goods cover repair activity on goods provided to or received from non-residents on ships, aircrafts, e

2.3 DIRECTION OF TRADE

for the periods indicated
in million U.S. dollars

Country	Annual						Q1					
	2008			2009 r/			2010 p/			2009 r/		
	Export	Import	BOT	Export	Import	BOT	Export	Import	BOT	Export	Import	BOT
T O T A L	49077	56746	-7669	38435	43092	-4657	11330	12734	-1404	7926	9599	-1673
NORTH AMERICA	8651	7545	1106	7161	5388	1773	1990	1580	410	1502	1445	57
Canada	270	262	8	239	229	10	73	114	-41	51	43	8
USA (Inc. Hawaii & Alaska)	8207	7221	986	6789	5113	1676	1881	1458	423	1427	1396	31
Others	174	62	112	133	46	87	36	8	28	24	6	18
EUROPE	8676	4974	3702	8102	4002	4100	2100	1058	1042	1631	1042	589
European Union	8500	4421	4079	7949	3268	4681	2053	857	1196	1603	901	702
France	259	769	-510	266	507	-241	118	101	17	50	211	-161
Fed. Rep of Germany	2440	1064	1376	2506	954	1552	842	269	573	541	225	316
Finland	88	157	-69	59	125	-66	19	33	-14	12	28	-16
Italy	289	234	55	229	188	41	71	51	20	53	51	2
Netherlands	3708	418	3290	3744	300	3444	700	67	633	700	79	621
Sweden	27	175	-148	20	144	-124	7	35	-28	5	41	-36
United Kingdom	483	322	161	297	233	64	94	54	40	60	48	12
Others ^{1/}	1206	1282	-76	828	817	11	202	247	-45	182	218	-36
Switzerland	44	252	-208	49	223	-174	14	96	-82	10	65	-55
Russian Federation	34	132	-98	39	252	-213	9	45	-36	6	8	-2
Others	98	169	-71	65	259	-194	24	60	-36	12	68	-56
ASIA	30035	34729	-4694	21644	28212	-6568	6791	8727	-1936	4340	6327	-1987
Japan	7706	6604	1102	6207	5351	856	1889	1612	277	1236	1126	110
China People's Rep.	5469	4246	1223	2934	3807	-873	1080	987	93	735	879	-144
NIES	11979	14700	-2721	8843	11200	-2357	2719	3402	-683	1708	2552	-844
Hongkong	4987	1958	3029	3213	1457	1756	859	369	490	677	315	362
Korea, South	2523	2962	-439	1828	3005	-1177	531	938	-407	360	621	-261
Singapore	2607	5945	-3338	2477	3724	-1247	1018	1236	-218	359	980	-621
China, Rep of (Taiwan)	1862	3835	-1973	1325	3014	-1689	311	859	-548	312	636	-324
South East Asia	4477	8432	-3955	3358	7235	-3877	976	2503	-1527	598	1635	-1037
Indonesia	603	1465	-862	383	1774	-1391	99	521	-422	66	403	-337
Malaysia	1958	2444	-486	1360	1693	-333	344	540	-196	257	358	-101
Thailand	1509	2786	-1277	1236	2451	-1215	392	859	-467	214	532	-318
Brunei Darussalam	10	81	-71	5	22	-17	1	--	-	1	--	-
Vietnam	385	1653	-1268	365	1287	-922	139	577	-438	58	341	-283
Myanmar	11	3	8	7	8	-1	1	6	1	2	1	-
Laos	1	--	1	2	--	2	--	--	-	--	--	-
South Asia ^{2/}	318	736	-418	280	581	-301	120	219	-99	57	120	-63
India	194	618	-424	200	502	-302	91	119	-28	37	109	-72
Others	86	11	75	22	38	-16	7	4	3	6	15	-9
OCEANIA	646	1482	-836	645	1273	-628	160	325	-165	245	312	-67
Australia	471	902	-431	296	732	-436	81	163	-82	54	197	-143
New Zealand	49	409	-360	29	301	-272	7	112	-105	8	78	-70
Pacific Island ^{3/}	27	158	-131	11	237	-226	3	50	-	3	37	-34
Others	99	13	86	309	3	306	69	0	69	180	0	180
MIDDLE EAST	582	7025	-6443	472	3300	-2828	187	938	-751	119	289	-170
Iran	87	278	-191	63	97	-34	16	16	0	20	26	-6
Iraq	1	1	0	4	8	-4	--	--	-	2	--	-
Kuwait	42	47	-5	27	25	2	8	3	5	7	15	-8
Saudi Arabia	74	5032	-4958	59	1531	-1472	14	616	-602	18	116	-98
UAE (Incl. Abu Dhabi)	260	1331	-1071	221	785	-564	55	162	-107	52	75	-23
Others	118	336	-218	98	854	-756	94	141	-47	24	57	-33
OTHERS	487	991	-504	411	917	-506	102	106	-4	89	184	-95
Central America	65	55	10	60	20	40	6	5	1	10	5	5
South America	199	785	-586	182	777	-595	51	75	-24	39	146	-107
Brazil	69	317	-248	83	202	-119	27	48	-21	17	56	-39
Africa	202	131	71	159	118	41	42	26	16	39	31	8
Others	21	20	1	10	2	8	3	0	3	1	2	-1

Note: Based on concept and coverage of Foreign Trade Statistics generated by the National Statistics Office .

^{1/} Comprising Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Greece, Hungary, Ireland, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Slovak Republic, Slovenia, Spain, and Romania

^{2/} Comprising Bangladesh, Nepal, Pakistan, and Sri Lanka

^{3/} Comprising Fiji Island, Papua Territory (New Guinea), Solomon Island, Tonga Island, Vanuatu (New Hebrides) & Western Samoa

r/ Revised

p/ Preliminary

Source: National Statistics Office (NSO)

3 SERVICES

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
SERVICES	293	178	355	826	855	-3.4	90.4
EXPORTS	1104	885	1189	3178	2830	12.3	21.1
IMPORTS	811	707	834	2352	1975	19.1	4.6
Transportation	-231	-223	-250	-704	-492	-43.1	30.4
Exports	115	96	114	325	334	-2.7	11.3
Imports	346	319	364	1029	826	24.6	-18.0
of which: Passenger	17	5	13	35	59	-40.7	210.5
Exports	66	53	62	181	178	1.7	34.8
Imports	49	48	49	146	119	22.7	5.3
of which: Freight	-215	-193	-213	-621	-496	-25.2	30.4
Exports	35	35	41	111	78	42.3	-36.1
Imports	250	228	254	732	574	27.5	-31.3
of which: Other	-33	-35	-50	-118	-55	-114.5	-323.1
Exports	14	8	11	33	78	-57.7	69.6
Imports	47	43	61	151	133	13.5	125.4
Travel	-4	-15	-37	-56	90	-162.2	-70.1
Exports	246	202	234	682	665	2.6	-8.5
Imports	250	217	271	738	575	28.3	35.0
Communication services	25	18	19	62	54	14.8	-21.7
Exports	35	28	24	87	87	0.0	1.2
Imports	10	10	5	25	33	-24.2	94.1
Construction services	6	6	3	15	16	-6.3	100.0
Exports	8	7	4	19	20	-5.0	42.9
Imports	2	1	1	4	4	0.0	-33.3
Insurance services	-13	-11	-14	-38	-39	2.6	32.8
Exports	5	5	5	15	3	400.0	-40.0
Imports	18	16	19	53	42	26.2	-33.3
Financial services	-22	0	-6	-28	-11	-154.5	-37.5
Exports	7	4	3	14	22	-36.4	10.0
Imports	29	4	9	42	33	27.3	17.9
Computer and Information services	106	70	86	262	260	0.8	26.2
Exports	116	79	95	290	284	2.1	30.9
Imports	10	9	9	28	24	16.7	118.2
Royalties and license fees	-26	-36	-37	-99	-97	-2.1	-29.3
Exports	0	0	1	1	0	0.0	0.0
Imports	26	36	38	100	97	3.1	29.3
Other business services	473	389	611	1473	1130	30.4	47.1
Exports	569	461	706	1736	1409	23.2	46.0
Imports	96	72	95	263	279	-5.7	41.6
Merchandising and other trade-related service	1	1	1	3	4	-25.0	-33.3
Exports	1	1	1	3	4	-25.0	-33.3
Imports	0	0	0	0	0	0.0	0.0
Operational leasing services	-13	-15	-14	-42	-31	-35.5	-34.8
Exports	1	0	1	2	4	-50.0	100.0
Imports	14	15	15	44	35	25.7	40.0
Misc. business, professional and technical services	485	403	624	1512	1157	30.7	47.4
Exports	567	460	704	1731	1401	23.6	46.4
Imports	82	57	80	219	244	-10.2	41.9
Personal, cultural and recreational services	-1	0	-1	-2	0	0.0	100.0
Exports	3	3	3	9	6	50.0	100.0
Imports	4	3	4	11	6	83.3	20.0
Audio-Visual and related services	-1	0	-1	-2	1	-300.0	133.3
Exports	2	2	2	6	4	50.0	300.0
Imports	3	2	3	8	3	166.7	-25.0
Other personal, cultural and recreational services	0	0	0	0	-1	100.0	-200.0
Exports	1	1	1	3	2	50.0	0.0
Imports	1	1	1	3	3	0.0	200.0
Government services, n.i.e.	-20	-20	-19	-59	-56	-5.4	-5.7
Exports	0	0	0	0	0	0.0	0.0
Imports	20	20	19	59	56	5.4	5.7

p - preliminary

4 INCOME

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
INCOME	-198	-175	-223	-596	-553	-7.8	-57.1
RECEIPTS	467	467	521	1455	1387	4.9	-17.3
PAYMENTS	665	642	744	2051	1940	5.7	-4.4
Compensation of emp. incl. border, seasonal, and other workers	367	383	446	1196	1076	11.2	5.0
Receipts	367	383	446	1196	1076	11.2	5.0
Payments	0	0	0	0	0	0.0	0.0
Investment Income	-565	-558	-669	-1792	-1629	-10.0	-18.3
Receipts	100	84	75	259	311	-16.7	-52.4
Payments	665	642	744	2051	1940	5.7	-4.4
Direct Investment Income	-207	-114	-202	-523	-476	-9.9	-26.9
Receipts	11	14	3	28	11	154.5	-15.4
Payments	218	128	205	551	487	13.1	25.5
Income on Equity	-207	-90	-193	-490	-462	-6.1	-31.3
Receipts	11	14	3	28	10	180.0	-23.1
Payments	218	104	196	518	472	9.7	29.3
Dividends and distributed branch profits	-174	-78	-206	-458	-540	15.2	-58.4
Receipts	11	14	3	28	10	180.0	-23.1
Payments	185	92	209	486	550	-11.6	55.4
Reinvested earnings and undistributed branch profits	-33	-12	13	-32	78	-141.0	809.1
Receipts	0	0	0	0	0	0.0	0.0
Payments	33	12	-13	32	-78	141.0	-809.1
Income on debt (interest)	0	-24	-9	-33	-14	-135.7	39.1
Receipts	0	0	0	0	1	-100.0	0.0
Payments	0	24	9	33	15	120.0	-34.8
Portfolio Investment Income	-306	-332	-405	-1043	-904	-15.4	-15.0
Receipts	63	61	61	185	244	-24.2	-37.0
Payments	369	393	466	1228	1148	7.0	-2.1
Income on Equity (dividends)	-120	-212	-281	-613	-511	-20.0	-3.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	120	212	281	613	511	20.0	3.0
Monetary authorities	0	0	0	0	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	0	0	0	0	0.0	0.0
General government	0	0	0	0	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	0	0	0	0	0.0	0.0
Banks	0	-21	-21	-42	-3	-1300.0	91.2
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	21	21	42	3	1300.0	-91.2
Other sectors	-120	-191	-260	-571	-508	-12.4	-10.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	120	191	260	571	508	12.4	10.0
Income on debt (interest)	-186	-120	-124	-430	-393	-9.4	-35.5
Receipts	63	61	61	185	244	-24.2	-37.0
Payments	249	181	185	615	637	-3.5	-5.9
Bonds and notes	-186	-120	-124	-430	-394	-9.1	-35.4
Receipts	63	61	61	185	243	-23.9	-37.0

4 INCOME

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
Payments	249	181	185	615	637	-3.5	-5.9
Monetary authorities	56	53	49	158	197	-19.8	-32.8
Receipts	56	53	49	158	197	-19.8	-32.8
Payments	0	0	0	0	0	0.0	0.0
General government	-221	-167	-145	-533	-525	-1.5	6.4
Receipts	0	0	0	0	0	0.0	0.0
Payments	221	167	145	533	525	1.5	-6.4
Banks	0	-4	0	-4	-4	0.0	76.5
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	4	0	4	4	0.0	-76.5
Other sectors	-21	-2	-28	-51	-62	17.7	-933.3
Receipts	7	8	12	27	46	-41.3	-50.5
Payments	28	10	40	78	108	-27.8	9.1
Money market instruments	0	0	0	0	1	-100.0	0.0
Receipts	0	0	0	0	1	-100.0	0.0
Payments	0	0	0	0	0	0.0	0.0
Monetary authorities	0	0	0	0	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	0	0	0	0	0.0	0.0
General government	0	0	0	0	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	0	0	0	0	0.0	0.0
Banks	0	0	0	0	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	0	0	0	0	0.0	0.0
Other sectors	0	0	0	0	1	-100.0	0.0
Receipts	0	0	0	0	1	-100.0	0.0
Payments	0	0	0	0	0	0.0	0.0
Other investment income	-52	-112	-62	-226	-249	9.2	-15.3
Receipts	26	9	11	46	56	-17.9	-77.9
Payments	78	121	73	272	305	-10.8	-35.0
Monetary authorities	12	4	5	21	19	10.5	-77.6
Receipts	12	4	5	21	20	5.0	-76.5
Payments	0	0	0	0	1	-100.0	0.0
General government	-17	-42	-40	-99	-110	10.0	12.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	17	42	40	99	110	-10.0	-12.0
Banks	9	-10	-5	-6	-23	73.9	62.3
Receipts	11	2	4	17	27	-37.0	-81.3
Payments	2	12	9	23	50	-54.0	-75.6
Other sectors	-56	-64	-22	-142	-135	-5.2	-17.4
Receipts	3	3	2	8	9	-11.1	-62.5
Payments	59	67	24	150	144	4.2	3.6

p - preliminary

5 CURRENT TRANSFERS

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
CURRENT TRANSFERS	1269	1282	1374	3925	3832	2.4	4.1
RECEIPTS	1303	1316	1424	4043	3935	2.7	4.3
PAYMENTS	34	34	50	118	103	14.6	9.6
General government	28	23	19	70	179	-60.9	126.6
Receipts	39	33	35	107	209	-48.8	91.7
Payments	11	10	16	37	30	23.3	0.0
Other sectors	1241	1259	1355	3855	3653	5.5	1.4
Receipts	1264	1283	1389	3936	3726	5.6	1.7
Payments	23	24	34	81	73	11.0	14.1
Workers' remittances	1195	1225	1326	3746	3537	5.9	2.1
Receipts	1195	1225	1326	3746	3537	5.9	2.1
Payments	0	0	0	0	0	0.0	0.0
Other transfers	46	34	29	109	116	-6.0	-15.3
Receipts	69	58	63	190	189	0.5	-6.0
Payments	23	24	34	81	73	11.0	14.1

p - preliminary

6 CAPITAL ACCOUNT

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
CAPITAL ACCOUNT	8	6	3	17	17	0.0	-19.0
RECEIPTS	14	10	13	37	31	19.4	-6.1
PAYMENTS	6	4	10	20	14	42.9	16.7
Capital transfers	9	6	4	19	17	11.8	-19.0
Receipts	14	10	13	37	31	19.4	-6.1
Payments	5	4	9	18	14	28.6	16.7
General government	10	5	9	24	23	4.3	-4.2
Receipts	10	5	9	24	23	4.3	-4.2
Payments	0	0	0	0	0	0.0	0.0
Debt forgiveness	0	0	0	0	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	0	0	0	0	0	0.0	0.0
Other	10	5	9	24	23	4.3	-4.2
Receipts	10	5	9	24	23	4.3	-4.2
Payments				0	0	0.0	0.0
Other sectors	-1	1	-5	-5	-6	16.7	-100.0
Receipts	4	5	4	13	8	62.5	-11.1
Payments	5	4	9	18	14	28.6	16.7
Migrants transfers	0	0	-3	-3	-4	25.0	20.0
Receipts	4	4	4	12	8	50.0	100.0
Payments	4	4	7	15	12	25.0	33.3
Debt forgiveness	0	0	0	0	0	0.0	-100.0
Receipts	0	0	0	0	0	0.0	-100.0
Payments	0	0	0	0	0	0.0	0.0
Other	-1	1	-2	-2	-2	0.0	-100.0
Receipts	0	1	0	1	0	0.0	-100.0
Payments	1	0	2	3	2	50.0	-33.3
Acquisition/disposal of nonproduced, nonfinancial assets	-1	0	-1	-2	0	0.0	0.0
Receipts	0	0	0	0	0	0.0	0.0
Payments	1	0	1	2	0	0.0	0.0

p - preliminary

7 DIRECT INVESTMENT

in million U.S. dollars

ITEM	2010 ^p			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^p	2009	2010	2009
DIRECT INVESTMENT	81	263	-178	166	282	-41.1	-42.9
ASSETS : Residents' Investments Abroad	28	10	192	230	52	342.3	966.7
Equity capital	28	10	192	230	52	342.3	966.7
Claims on affiliated enterprises	28	10	192	230	52	342.3	966.7
Liabilities to affiliated enterprises	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Reinvested earnings	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Capital	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Claims on affiliated enterprises	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Liabilities to affiliated enterprises	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
LIABILITIES : Non-residents' Investments in the Philippines	109	273	14	396	334	18.6	-31.6
Equity capital	-27	76	-4	45	460	-90.2	142.1
Claims on direct investors	0	0	0	0	0	0.0	0.0
Liabilities to direct investors	-27	76	-4	45	460	-90.2	142.1
Reinvested earnings	33	12	-13	32	-78	141.0	-809.1
Claims	0	0	0	0	0	0.0	0.0
Liabilities	33	12	-13	32	-78	141.0	-809.1
Other Capital	103	185	31	319	-48	764.6	-116.7
Claims on direct investors	26	-117	36	-55	213	-125.8	494.4
Liabilities to direct investors	129	68	67	264	165	60.0	-29.2

Notes: Balance is derived by deducting assets from liabilities.

p - preliminary

n.a. - data not available

7 DIRECT INVESTMENT

in million U.S. dollars

ITEM	2010 ^p			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^p	2009	2010	2009
DIRECT INVESTMENT	81	263	-178	166	282	-41.1	-42.9
ASSETS : Residents' Investments Abroad	28	10	192	230	52	342.3	966.7
Equity capital	28	10	192	230	52	342.3	966.7
Claims on affiliated enterprises	28	10	192	230	52	342.3	966.7
Liabilities to affiliated enterprises	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Reinvested earnings	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Capital	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Claims on affiliated enterprises	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Liabilities to affiliated enterprises	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
LIABILITIES : Non-residents' Investments in the Philippines	109	273	14	396	334	18.6	-31.6
Equity capital	-27	76	-4	45	460	-90.2	142.1
Claims on direct investors	0	0	0	0	0	0.0	0.0
Liabilities to direct investors	-27	76	-4	45	460	-90.2	142.1
Reinvested earnings	33	12	-13	32	-78	141.0	-809.1
Claims	0	0	0	0	0	0.0	0.0
Liabilities	33	12	-13	32	-78	141.0	-809.1
Other Capital	103	185	31	319	-48	764.6	-116.7
Claims on direct investors	26	-117	36	-55	213	-125.8	494.4
Liabilities to direct investors	129	68	67	264	165	60.0	-29.2

Notes: Balance is derived by deducting assets from liabilities.

p - preliminary

n.a. - data not available

8 PORTFOLIO INVESTMENT

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
PORTFOLIO INVESTMENT	1236	-971	-807	-542	-643	15.7	-164.2
ASSETS : Residents' Investments Abroad	-98	220	752	874	373	134.3	135.6
Equity securities	0	2	1	3	1	200.0	103.6
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	0	0	0	0	0	0.0	100.0
Other sectors	0	2	1	3	1	200.0	104.2
Debt securities	-98	218	751	871	372	134.1	136.4
Bonds and notes	65	206	747	1018	-92	1206.5	90.0
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	49	156	632	837	-343	344.0	58.8
Other sectors	16	50	115	181	251	-27.9	391.9
Money-market instruments	-163	12	4	-147	464	-131.7	554.9
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	-178	-3	-70	-251	303	-182.8	268.3
Other sectors	15	15	74	104	161	-35.4	106.4
LIABILITIES : Non-residents' Investments in the Philippines	1138	-751	-55	332	-270	223.0	-462.5
Equity securities	141	67	-192	16	-444	103.6	-89.7
Banks	-2	18	-193	-177	-61	-190.2	16.4
Other sectors	143	49	1	193	-383	150.4	-137.9
Debt securities	997	-818	137	316	174	81.6	-6.5
Bonds and notes	997	-818	138	317	128	147.7	-31.2
Monetary Authorities	1	46	24	71	-57	224.6	-850.0
General Government	1112	-967	365	510	550	-7.3	42.5
Banks	1	104	-9	96	66	45.5	-86.7
Other sectors	-117	-1	-242	-360	-431	16.5	37.5
Money-market instruments	0	0	-1	-1	46	-102.2	0.0
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	0	0	0	0	0	0.0	0.0
Other sectors	0	0	-1	-1	46	-102.2	0.0

Notes: Balance is derived by deducting assets from liabilities.

p - preliminary

9 FINANCIAL DERIVATIVES

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
FINANCIAL DERIVATIVES	-31	0	-13	-44	22	-300.0	125.0
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	-32	-2	-15	-49	42	-216.7	147.7
Other sectors	1	2	2	5	-20	125.0	0.0
ASSETS : Residents' Investments Abroad	-18	-23	-19	-60	-108	44.4	-17.4
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	-9	-16	-14	-39	-73	46.6	20.7
Other sectors	-9	-7	-5	-21	-35	40.0	0.0
LIABILITIES : Non-residents' Investments in the Philippines	-49	-23	-32	-104	-86	-20.9	52.2
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	-41	-18	-29	-88	-31	-183.9	82.8
Other sectors	-8	-5	-3	-16	-55	70.9	0.0

Notes: Balance is derived by deducting assets from liabilities.
p - preliminary

10 OTHER INVESTMENT

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
OTHER INVESTMENT	111	623	-382	352	-1123	131.3	-60.4
ASSETS : Residents' Investments Abroad	103	-67	1050	1086	294	269.4	114.1
Trade credits	1	-2	0	-1	-1	0.0	0.0
General government	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
Other sectors	1	-2	0	-1	-1	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	1	-2	0	-1	-1	0.0	0.0
Loans	-7	-378	314	-71	116	-161.2	107.5
Monetary authorities	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
General government	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
Banks	-20	-395	326	-89	430	-120.7	22.2
Long-term	0	0	0	0	0	0.0	100.0
Short-term	-20	-395	326	-89	430	-120.7	-28.3
Other sectors	13	17	-12	18	-314	105.7	83.5
Long-term	-7	-2	-4	-13	-6	-116.7	99.1
Short-term	20	19	-8	31	-308	110.1	75.5
Currency and deposits	51	444	739	1234	-4211	129.3	-45.6
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	18	175	871	1064	-4381	124.3	-45.7
Other sectors	33	269	-132	170	170	0.0	49.1
Other Assets	58	-131	-3	-76	4390	-101.7	85.7
Monetary authorities	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
General government	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
Banks	58	-131	-4	-77	4390	-101.8	85.4
Long-term	0	0	0	0	0	0.0	0.0
Short-term	58	-131	-4	-77	4390	-101.8	85.4
Other sectors	0	0	1	1	0	0.0	100.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	1	1	0	0.0	100.0
LIABILITIES : Non-residents' Investments in the Philippines	214	556	668	1438	-829	273.5	70.2
Trade credits	398	55	645	1098	239	359.4	249.4
General government	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Drawings	0	0	0	0	0	0.0	0.0
Repayments	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
Other sectors	398	55	645	1098	239	359.4	249.4

10 OTHER INVESTMENT

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
Long-term	0	12	20	32	0	0.0	100.0
Drawings	0	12	20	32	0	0.0	0.0
Repayments	0	0	0	0	0	0.0	-100.0
Short-term	398	43	625	1066	239	346.0	262.6
Loans	-111	-82	66	-127	-181	29.8	94.2
Monetary authorities	0	0	0	0	0	0.0	0.0
Other long-term	0	0	0	0	0	0.0	0.0
Drawings	0	0	0	0	0	0.0	0.0
Repayments	0	0	0	0	0	0.0	0.0
General government	-39	-138	144	-33	270	-112.2	280.0
Long-term	-39	-138	144	-33	270	-112.2	280.0
Drawings	18	22	322	362	627	-42.3	248.3
Repayments	57	160	178	395	357	10.6	8.2
Short-term	0	0	0	0	0	0.0	0.0
Banks	-12	37	-50	-25	-492	94.9	48.8
Long-term	13	8	-39	-18	-278	93.5	74.5
Drawings	13	8	0	21	60	-65.0	0.0
Repayments	0	0	39	39	338	-88.5	-69.0
Short-term	-25	29	-11	-7	-214	96.7	-264.6
Other sectors	-60	19	-28	-69	41	-268.3	102.0
Long-term	-59	-6	106	41	46	-10.9	112.6
Drawings	51	39	253	343	343	0.0	9.2
Repayments	110	45	147	302	297	1.7	-56.3
Short-term	-1	25	-134	-110	-5	-2100.0	99.7
Currency and deposits	-149	242	338	431	-98	539.8	-322.7
Monetary Authorities	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Banks	-114	246	352	484	44	1000.0	-70.3
Other sectors ^{1/}	-35	-4	-14	-53	-142	62.7	-36.5
Other Liabilities	76	341	-381	36	-789	104.6	-266.5
Monetary Authorities	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
General Government	0	0	0	0	0	0.0	0.0
Long-term	0	0	0	0	0	0.0	0.0
Short-term	0	0	0	0	0	0.0	0.0
Banks	79	341	-380	40	-786	105.1	-255.6
Long-term	0	0	0	0	0	0.0	0.0
Short-term	79	341	-380	40	-786	105.1	-255.6
Other sectors	-3	0	-1	-4	-3	-33.3	90.3
Long-term	0	0	0	0	0	0.0	0.0
Short-term	-3	0	-1	-4	-3	-33.3	90.3

Notes: Balance is derived by deducting assets from liabilities.

p - preliminary

1/ - This consists mainly of OBUs. Consistent with the treatment in the Monetary and Financial Statistics, OBUs are considered as resident non-bank corporations and not as banks since their deposit liabilities are not included in broad money. Entries represent deposit liabilities to non-residents.

11 OVERALL BOP POSITION: TRANSACTIONS IN RESERVE ASSETS AND LIABILITIES

in million U.S. dollars

ITEM	2010 ^P			Q1		Growth Rate	
	Jan	Feb	Mar	2010 ^P	2009	2010	2009
CHANGE IN NET RESERVES	1233	-125	255	1363	1732	-21.3	1.1
CHANGE IN RESERVE ASSETS	1236	-121	259	1374	1752	-21.6	1.4
Monetary gold	-55	-87	242	100	-160	162.5	-34.5
Special drawing rights	0	0	0	0	0	0.0	0.0
Reserves position in the Fund	0	0	0	0	0	0.0	0.0
Foreign Exchange	1291	-34	17	1274	1912	-33.4	3.6
Currency and deposits	2574	-591	-801	1182	3004	-60.7	377.9
Securities	-1283	557	818	92	-1092	108.4	-137.3
Equities	0	0	0	0	0	0.0	0.0
Bonds and notes	-1283	557	818	92	-1092	108.4	-137.3
Money market instruments and financial derivatives	0	0	0	0	0	0.0	0.0
Other claims	0	0	0	0	0	0.0	0.0
CHANGE IN RESERVE LIABILITIES	3	4	4	11	20	-45.0	42.9
Use of Fund Credit and loans	0	0		0	0	0.0	0.0
Short-term	3	4	4	11	20	-45.0	42.9

Notes: Balance is derived by deducting liabilities from assets.

p - preliminary