

Comparative Economic Analysis of Asian Countries: Evaluating Philippines' Performance in Relation to Regional Peers and Global Economic Trends

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ABSTRACT

This study presents a comparative economic analysis of the Philippines' economic performance alongside its regional peers (Countries in Asia), as of August, 2023. The study examines key economic indicators to discern unique patterns and trends. Notably, the Philippines experienced a contraction in GDP growth rate, recording -0.9%, in contrast to China and India's positive growth rates of 6.3% and 6.1% respectively. The Philippines' GDP annual growth rate of 4.3% remains notably lower than China's 6.3%, revealing varying growth trajectories. The GDP of the Philippines is valued at \$404 billion USD, significantly smaller than China's \$17963 billion USD and India's \$3385 billion USD, highlighting distinct scales of economic output. Intriguingly, the Philippines' GDP from construction surged from \$281.1 billion PHP to \$924.3 billion PHP, demonstrating significant growth in construction activities. This contrasts with China's construction-driven economy fueled by urbanization and infrastructure development. The resilient services sector in the Philippines contributes a substantial GDP of \$3.23 trillion PHP, surpassing India's services sector contribution of \$275.8 billion USD. In summary, the economic landscape of the Philippines in 2023 showcases unique dynamics. Despite facing a contraction in GDP growth and slower annual growth compared to certain peers, robust sectors like construction and services contribute to the nation's economic vitality. The comparison with China, India, Bhutan, and East Timor underscores the Philippines' distinctive position in terms of scale and growth prospects, reflecting an intricate interplay of economic forces within the region.

Introduction

In the domain of ever-evolving global economics, the intricacies of national economic performance hold profound implications, shaping developmental trajectories, policy formulations, and regional collaborations (Syofya, H., 2022). Amidst this complex milieu, a meticulous comparative analysis of economic indicators within a specific region unveils insights into the nuanced factors influencing economic outcomes (Bansiya, M., 2023,). This research embarks on precisely such an exploration, focusing on the Asian continent, with special attention to the Philippines and its intricate interplay with both regional peers and the broader global economic landscape.

Asia plays a pivotal role in the global economy due to its diverse range of economies, resources, and industries. The continent hosts some of the world's fastest-growing economies, like China and India, which are major players in international trade and manufacturing. China, in particular, has risen as an economic powerhouse, becoming a hub for manufacturing, technology, and innovation. Asia is home to a diverse array of countries, totaling 49 recognized sovereign nations. These countries vary widely in terms of size, population, culture, and economic development.

Governments, policymakers, and international organizations have long grappled with understanding economic progress's dynamics. This comprehension serves as a cornerstone for effective policy formulation and decision-making, impacting the quality of citizens' lives. Within this context, the comparative analysis of economic indicators emerges as a vital avenue, offering insights into a nation's strengths, challenges, and potential avenues of growth.

Distinct in its focus, this research aims to dissect the Philippines' economic trajectory. It delves into the country's performance in relation to both regional counterparts and the global economic scene, untangling the myriad factors shaping its economic standing. This analysis lays the groundwork for informed policy formulation and a nuanced comprehension of global economic intricacies.

With the Philippines as its primary focus, the overarching goal of this research is to conduct an exhaustive comparative analysis of economic indicators across select Asian countries. The study is designed to achieve specific objectives, including assessing the Philippines' economic performance relative to its regional counterparts, discerning prevalent trends, disparities, and shared patterns within critical economic indices such as GDP growth, inflation rates, trade balances, and unemployment rates. Furthermore, the research aims to elucidate the broader implications of the Philippines' economic trajectory within the global economic context. Importantly, it seeks to provide policymakers with empirically grounded insights, offering valuable support for strategic decisions geared toward nurturing sustainable economic growth.

While not bounded by a predefined hypothesis, this research expects a comprehensive analysis of economic indicators to reveal nuanced patterns, highlighting the Philippines' economic strengths and pinpointing areas that require strategic intervention. Through this analysis, the study aims to contribute to the discourse on adaptable economic policies that align both with local context and global dynamics.

In summation, this research seeks to unravel the intricate economic fabric woven by the Philippines in the diverse tapestry of Asian economies. Through a meticulous comparative analysis, this study aims to offer insights that transcend mere data, fostering a comprehensive understanding of the Philippines' economic journey within an interconnected global landscape.

Research Methods

Research Design

This cross-sectional quantitative research, relying solely on secondary data from "<https://tradingeconomics.com>" aims to analyze key economic indicators including GDP, Interest Rate, Inflation Rate, Jobless Rate, Gov. Budget, Debt/GDP, Current Account, and Population of the Philippines and selected Asian countries, facilitating a comparative assessment of the Philippines' economic performance within the region and against global

economic trends. The findings will contribute to identifying potential policy implications and recommendations. The study's time frame aligns with the current date, providing insights into the most recent economic conditions.

Data Gathering Procedure:

- 1. Identification of Data Source:** The primary data source for this research is the "<https://tradingeconomics.com/matrix?g=asia>" website, which provides economic indexes for various Asian countries.
- 2. Selection of Economic Indicators:** Identify the specific economic indicators to be gathered from the source, including GDP, GDP YoY (Year-on-Year), GDP QoQ (Quarter-on-Quarter), Interest Rate, Inflation Rate, Jobless Rate, Gov. Budget, Debt/GDP, Current Account, and Population.
- 3. Accessing the Data:** Access the provided website link to navigate to the matrix of economic indicators for Asian countries.
- 4. Data Extraction:** For each selected economic indicator, extract the data for the Philippines and the chosen comparative Asian countries. Use web scraping techniques or manual data entry to capture the values for each indicator.
- 5. Data Compilation:** Create a structured database or spreadsheet to organize the gathered data. Arrange the data by indicator, country, and year to ensure clarity and consistency.
- 6. Data Verification:** Cross-reference the gathered data with the source to ensure accuracy and minimize errors. Double-check data entries and calculations to maintain data integrity.
- 7. Time Frame Consideration:** Ensure that the data collected corresponds to the most recent available year, aligning with the current research time frame.
- 8. Data Cleaning:** Remove any duplicate or erroneous data points from the dataset.
- 9.** Address any missing data by either omitting the indicator or using interpolation methods if appropriate.
- 10. Data Quality Check:** Review the compiled dataset for completeness and accuracy. Verify that the data for all selected indicators and countries have been accurately gathered.
- 11. Preparation for Analysis:** Organize the cleaned dataset in a format suitable for quantitative analysis, ensuring proper labeling and categorization.
- 12. Data Storage and Documentation:** Save the compiled and cleaned dataset in a secure location for future reference and potential validation. Maintain clear documentation of the data extraction process, including sources and any adjustments made.
- 13. Ethical Considerations:** Ensure that data gathering procedures adhere to ethical standards and respect data usage policies of the source website.

Data set
Table 1. Economic Indexes-ASIA

Country	GDP	GDP YoY	GD P Qo Q	Interest Rate	Inflation Rate	Jobs Rate	Gov. Budget	Debt/GDP	Current Account (Surplus/Deficit)	Population (In millions)
Afghanistan	15	-20.7		14.94	-2.8	13.3	-4.5	7.4	-17.3	34.3
Armenia	20	9.1		10.25	-0.1	13.7	-2.5	60.25	0.1	2.98
Azerbaijan	79	0.2		9	12.2	5.5	-1	11.7	30.5	10.06
Bahrain	44	2	3.22	6.25	0.4	5.5	-5.6	119.5	15.4	1.47
Bangladesh	460	7.25	7.25	6	9.69	4.7	5.06	28.2	-4.1	171.3
Bhutan	3	4.1		6.88	3.83	5.9	-7.8	124.8	-33.8	0.78
Brunei	17	0.8		5.5	0.8	7.2	-19.3	1.9	11.2	0.45
Cambodia	30	5.3		0.88	0.1	0.36	-7.3	36.8	-26.9	16.77
China	17963	6.3	0.8	3.45	-0.3	5.3	-7.4	76.9	2.2	1411.75
East Timor	3	3.3			7.1	4.9	-4		-11.6	1.34
Georgia	25	7.7		10.25	0.3	16.7	-3	41.3	-3.1	3.69
Hong Kong	360	1.5	-1.3	5.75	1.8	2.8	-5	38.4	10.7	7.35
India	3385	6.1	1.9	6.5	7.44	8	-6.44	89.26	-2.6	1373.76
Indonesia	1319	5.17	3.86	5.75	3.08	5.45	-2.38	40.9	1	275.8
Iran	389	5.6		18	39.4	9.7	-4	34	4.7	84.1
Iraq	264	7		7.5	3.41	15.55	6.4	36.7	16.3	44.5
Israel	522	3.04	0.74	4.75	3.3	3.4	0.6	60.9	2.5	9.56
Japan	4231	2	1.5	-0.1	3.3	2.5	-6.4	263.9	1.9	124.95
Jordan	47	2.8		7.5	0.92	21.9	-4.6	89.4	-6.7	11.3
Kazakhstan	221	5.1	1.26	16.5	14	4.7	-2.3	24.4	3	19.77
Kuwait	185	8.7	4.7	4.25	3.8	2.5	11.6	7.1	28.5	4.22
Kyrgyzstan	11	4.62		13	10.3	2.8	-1.1	60.3	-26.8	7.04
Laos	16	4.8		7.5	27.8	2.6	-0.3	68.01	-0.07	7.34
Lebanon	23	-7		7.75	251.5	12.6	-3.5	150.6	-12.9	5.5
Macau	22	117.5		5.75	0.78	2.6			-2.4	0.67
Malaysia	406	2.9	1.5	3	2	3.4	-5.6	60.4	2.6	33
Maldives	6	5.5		7	2.47	4.9	-14.3	57.9	-16.6	0.58
Mongolia	17	6.4	6.1	13	9.2	5.8	-6.8	56	-15.8	3.45
Myanmar	59	3		7	19.55	2.2	-5.2	62.5	-1.8	54.18
Nepal	41	1.9		7.5	7.44	5.1	-5.4	41.4	-12.8	30.55
Oman	115	4.3		6	0.4	2.3	-2.6	61.3	3.2	4.93
Pakistan	377	5.97	5.79	22	28.3	6.3	-7.9	89	-0.7	235.82
Palestine	19	3			3.63	24.7	3.6	18.5	-15	5.4
Philippines	404	4.3	-0.9	6.25	4.7	4.5	-7.3	60.9	-4.4	111.6
Qatar	237	8	2.7	6.25	3.1	0.1	0	46.9	26	2.91
Saudi Arabia	1108	1.1	-0.1	6	2.3	5.1	2.5	30	13.8	32.18

Singapore	467	0.5	0.1	3.64	4.1	1.9	-0.3	167.8	19.3	5.64
South Korea	1665	0.9	0.6	3.5	2.3	2.8	-7	49.6	3.2	51.69
Sri Lanka	74	-11.5	1.4	11	6.3	4.7	-10.2	113.8	-1.9	22.18
Syria	65	-3.9			139.46	9.6	-11.4	30.01	-0.62	22.13
Taiwan	775	1.36	-0.59	1.88	1.88	3.43	-0.5	28.2	14.8	23.26
Tajikistan	10	8.2		10	2.3	7.8	0.2	34.6	6.2	9.72
Thailand	495	1.8	0.2	2.25	0.38	1.06	-4.9	60.96	-0.5	66.09
Turkmenistan	46	6.2			17.5	5.1	1	8	5.7	6.43
United Arab Emirates	508	8.5	2	5.4	2.05	2.75	0.8	38.3	11.7	9.44
Uzbekistan	80	5.6		14	8.94	9.6	-6	38	1.4	36.02
Vietnam	409	4.14	6.88	4.5	2.06	2.3	-3.41	37.1	-0.9	99.5
Yemen	21	1.5		27	0.77	13.59	-5.2	68.66	-5.9	33.7

Source: <https://tradingeconomics.com/matrix?g=asia>

Table 2. Philippine Economic Indicators

	2023	2022		
GDP Growth Rate	-0.9	1	Percent	23-Jun
GDP Annual Growth Rate	4.3	6.4	Percent	23-Jun
GDP	404	394	USD Billion	22-Dec
GDP Constant Prices	5207087	4907493	PHP Million	23-Jun
Gross National Product	5643038	5592473	PHP Million	23-Jun
Gross Fixed Capital Formation	1377463	1101574	PHP Million	23-Jun
GDP per Capita	3528	3328	USD	22-Dec
GDP per Capita PPP	8582	8096	USD	22-Dec
Full Year GDP Growth	7.6	5.7	Percent	22-Dec
GDP from Agriculture	417469	444603	PHP Million	23-Jun
GDP from Construction	924339	281128	PHP Million	23-Jun
GDP from Manufacturing	914415	986871	PHP Million	23-Jun
GDP from Mining	41740	43106	PHP Million	23-Jun
GDP from Public Administration	286183	209815	PHP Million	23-Jun
GDP from Services	3234491	2996231	PHP Million	23-Jun
GDP from Transport	194800	196877	PHP Million	23-Mar
GDP from Utilities	172227	154939	PHP Million	23-Jun

Source: <https://tradingeconomics.com/matrix?g=philippines>

Statistical Analysis and Treatment

1. Comparative Analysis of Economic Indicators across Asian Countries

To investigate, descriptive statistics were computed for each indicator, including measures such as mean, standard deviation, and range. Additionally, the Kruskal-Wallis test, a non-parametric equivalent of ANOVA, was skillfully utilized to determine the presence of

significant disparities among discrete groups of countries. The Kruskal-Wallis test evaluates variations in medians across multiple groups, considering the data's distribution. This analytical approach enabled the discernment of whether the observed differences were statistically significant, augmenting the comprehensiveness of the comparative analysis of economic performance. Economic Implications of Recent Philippine Economic Indicators

Descriptive statistics were utilized to succinctly summarize the central tendencies and dispersion of the collected data. Measures such as mean, median, and standard deviation were calculated to offer an overview of the data's distribution and variability, providing a snapshot of the economic indicators' status at the given time. Additionally, *trend analysis* was undertaken to discern longitudinal patterns and shifts within the economic indicators. By examining the indicators' trajectories over time, valuable insights were gained into their fluctuations and potential impact on the Philippine economy.

2. Identifying Best and Worst Performing Countries

A *ranking and percentile analysis* were employed to ascertain the countries that exhibited the highest and lowest values for each economic indicator. This approach enabled the identification of outliers and trends within the dataset, providing a preliminary insight into the countries' relative economic performance.

Result and Discussion

Table 3. Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
GDP	48	3.00	17963.00	772.0417	2658.36116
Interest rate	44	-.10	27.00	7.9766	5.39622
Inflation Rate	48	-2.80	251.50	14.0246	40.78253
Unemployment Rate	48	.10	24.70	6.4415	5.32589
Government Budget	47	-19.30	11.60	-3.6313	5.19140
Debt/GDP	46	1.90	263.90	59.4011	47.49659
Current Account Surplus/Deficit	48	-33.80	30.50	.2231	13.42438
Total Population	48	.45	1411.75	94.3990	279.82827

GDP

The Gross Domestic Product (GDP) values exhibit a substantial range, spanning from \$3.00 billion to \$17963.00 billion. This diverse range signifies the varying economic sizes of the countries. The mean GDP of \$772.0417 billion underscores the average economic output among these nations. Notably, the sizable standard deviation of \$2658.36116 billion accentuates the considerable dispersion of GDP values from the mean, revealing significant differences in economic scale within the group.

Interest Rate

Across the countries, interest rates reveal fluctuations from a minimum of -0.10 to a maximum of 27.00. The mean interest rate of 7.9766 reflects the average cost of borrowing or lending, providing insights into financial market dynamics. The relatively high standard deviation of 5.39622 signals diverse interest rate levels, underscoring variations in monetary policies and economic conditions among the countries.

Inflation Rate

Inflation rates demonstrate a broad spectrum, ranging from -2.80 to 251.50. The mean inflation rate of 14.0246 indicates the average rate of price increase experienced within these nations. Notably, the considerable standard deviation of 40.78253 emphasizes substantial divergence in inflation experiences among the countries, suggesting varying economic challenges and dynamics.

Unemployment Rate

The unemployment rates span from a minimum of 0.10 to a maximum of 24.70, reflecting the extent of labor market disparities. The mean unemployment rate of 6.4415 provides insight into the average proportion of the labor force without jobs. The standard deviation of 5.32589 highlights the diversity in labor market conditions, reflecting differences in economic structures and policies.

Government Budget (% of GDP)

Expressed as percentages of GDP, government budget values range from a deficit of -19.30% to a surplus of 11.60%. The mean government budget of -3.6313% indicates an average budget deficit relative to GDP. This negative value reflects an average budget deficit across the group. The standard deviation of 5.19140% underscores the variability in fiscal positions as proportions of GDP, offering insight into the different fiscal management strategies pursued by the countries.

Debt/GDP

Debt-to-GDP ratios span from 1.90 to 263.90, indicating varying levels of government debt relative to economic output. The mean debt-to-GDP ratio of 59.4011 reflects the average debt sustainability across the nations. The standard deviation of 47.49659 highlights differences in debt burdens, offering insights into varying levels of fiscal prudence and economic stability.

Current Account Surplus/Deficit (% of GDP)

Presented as percentages of GDP, current account balances range from a surplus of 30.50% to a deficit of -33.80%. The mean current account balance of 0.2231% signifies a relatively small average surplus or deficit relative to GDP. The substantial standard deviation of 13.42438% suggests significant fluctuations in trade balances as proportions of GDP, reflecting varying economic strengths and challenges.

Total Population (Millions)

Total population figures vary widely from 0.45 million to 1411.75 million. The mean total population of 94.3990 million indicates the average number of people residing within the countries. The standard deviation of 279.82827 million underscores the

population disparities among the group, highlighting the diversity in demographic structures and challenges.

Incorporating the unit of measurement for GDP as billion US dollars offers a refined understanding of the economic landscape within the selected Asian countries. These statistics unveil a rich tapestry of economic complexities, varying policies, and diverse circumstances shaping the economic trajectories of these nations. Visualizations and further analyses can provide additional insights into the relationships and trends underlying these indicators.

Economic Implications

The array of economic indicators presented in Table 3 offers a comprehensive view of the economic landscape across Asian countries. These statistics hold valuable implications for the region's economic dynamics, shedding light on both common trends and individual idiosyncrasies.

Economic Diversity and Scale

The wide range of GDP values, stretching from 3.00 to 17963.00, underscores the vast economic diversity across Asia. While some nations boast substantial economic outputs, others are still in the process of development. This spectrum of GDP values is indicative of the region's varying stages of economic advancement and potential for growth.

Monetary Policy and Financial Stability

Interest rates spanning from -0.10 to 27.00 reveal an intricate monetary policy landscape. The mean interest rate of 7.9766 reflects the region's average cost of borrowing or lending. The substantial standard deviation of 5.39622 signals heterogeneity in interest rate policies, reflecting the challenges of maintaining financial stability amid diverse economic conditions.

Inflation Challenges and Management

Inflation rates ranging from -2.80 to 251.50 reveal the region's diverse experiences with price dynamics. The mean inflation rate of 14.0246 signifies the average rate of price increase, which may require attention to manage consumer purchasing power and economic stability. The notable standard deviation of 40.78253 suggests varying inflation management strategies and potential risks.

Labor Market and Human Capital

Unemployment rates spanning from 0.10 to 24.70 highlight the labor market's intricacies. The mean unemployment rate of 6.4415 reflects the average proportion of the workforce without jobs. The standard deviation of 5.32589 indicates variations in employment challenges and the need for policies that foster job creation and workforce development.

Fiscal Sustainability and Budgetary Management

Expressed as percentages of GDP, government budget values extend from deficits of -19.30% to surpluses of 11.60%. The mean government budget deficit of -3.6313% reflects the region's average fiscal gap. The standard deviation of 5.19140% underscores the diverse fiscal policies pursued across the countries, highlighting the importance of managing public finances sustainably.

Debt Management and Stability

Debt-to-GDP ratios ranging from 1.90 to 263.90 reveal varying levels of debt burden. The mean debt-to-GDP ratio of 59.4011 reflects the average fiscal prudence across the region. The standard deviation of 47.49659 points to differing levels of debt sustainability and the need for robust debt management strategies.

Trade and Economic Competitiveness

Current account balances as percentages of GDP, ranging from a surplus of 30.50% to a deficit of -33.80%, reflect trade dynamics. The mean current account balance of 0.2231% signifies the region's average trade surplus or deficit. The significant standard deviation of 13.42438% underscores the diverse trade positions and the region's interconnectedness with the global economy.

Population Dynamics and Demographic Challenges

Total population figures ranging from 0.45 million to 1411.75 million highlight demographic diversity. The mean total population of 94.3990 million speaks to the region's average population size. The standard deviation of 279.82827 million reflects varying demographic pressures and the need for policies addressing population growth, distribution, and related challenges.

Collectively, these economic indicators underline the complexity and vibrancy of the Asian economies. While regional commonalities exist, the wide ranges and standard deviations highlight the need for tailored policies that consider each nation's unique circumstances. Understanding these implications can guide policymakers in formulating strategies that enhance economic resilience, stability, and sustainable growth across the diverse landscape of Asian countries.

	Sig.
GDP	0.432
Interest rate	0.429
Inflation Rate	0.432
Unemployment Rate	0.432
Government Budget	0.431
Debt/GDP	0.431
Current Account Surplus/Deficit	0.432
Total Population	0.432
<i>Significant difference at <0.05</i>	

The significance levels (p-values) for each of these economic indicators are greater than 0.05, specifically around 0.432. This suggests that there is no statistically significant evidence to reject the null hypothesis that there are no differences in the medians of these indicators among the groups (countries) being compared.

In other words, based on the Kruskal-Wallis test results and the given p-values, there isn't enough evidence to conclude that there are significant differences in the medians of the economic indicators (GDP, Interest Rate, Inflation Rate, etc.) among the countries.

The Kruskal-Wallis test results indicate that, for the selected Asian countries and the economic indicators considered (GDP, Interest Rate, Inflation Rate, Unemployment Rate, Government Budget, Debt/GDP, Current Account Surplus/Deficit, and Total Population), there is no statistically significant evidence to suggest that there are substantial differences in the medians of these indicators across the countries.

From an economic perspective, this outcome could imply several scenarios

Regional Economic Homogeneity

The results might suggest that the countries within the selected Asian region have relatively similar economic performance across the indicators. This could indicate a level of regional economic homogeneity, where the differences in economic indicators are not significant enough to distinguish one country's performance from another's.

Diverse Factors Impacting Indicators

The lack of significant differences might be attributed to the complex interplay of various economic factors within each country. Different countries could be affected by diverse economic drivers, policy decisions, geopolitical conditions, and global economic trends, resulting in a convergence of certain indicators.

Trade and Integration

The findings could also be influenced by regional economic integration and trade relationships. Countries that engage in substantial trade and economic cooperation might experience similar trends and patterns in certain economic indicators due to interdependence.

Similar Development Stages

Similarities in economic development stages among the selected countries could contribute to comparable economic indicators. Developing countries might face similar challenges and opportunities, leading to analogous economic performance.

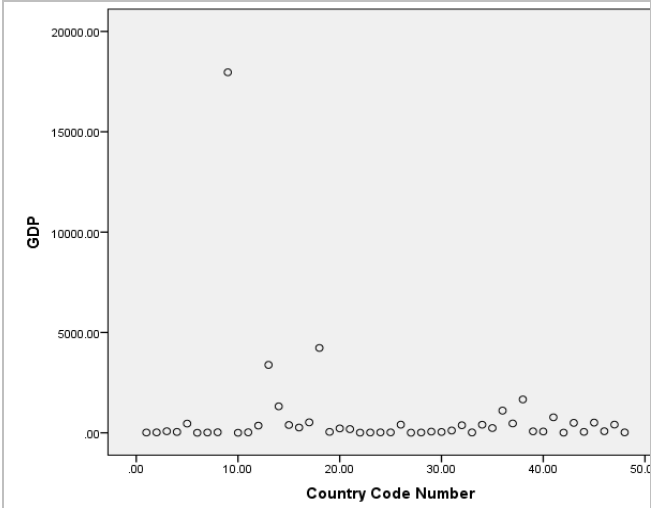


Fig 1. Scatter Plot- GDP in Asian Countries

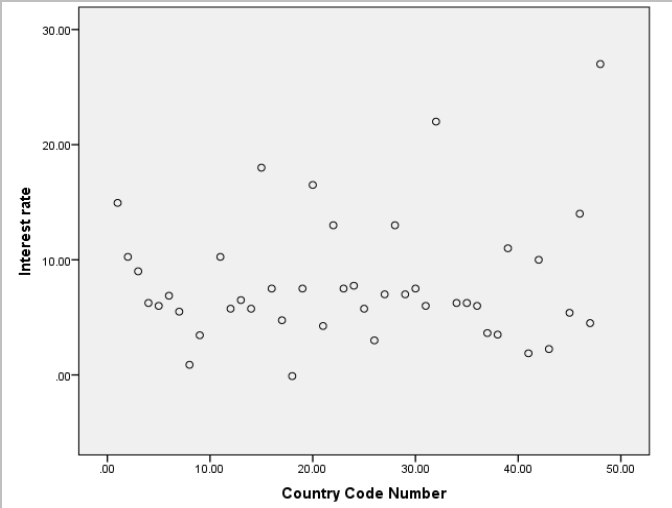


Fig 2. Scatter Plot- Interest rate Asian Countries

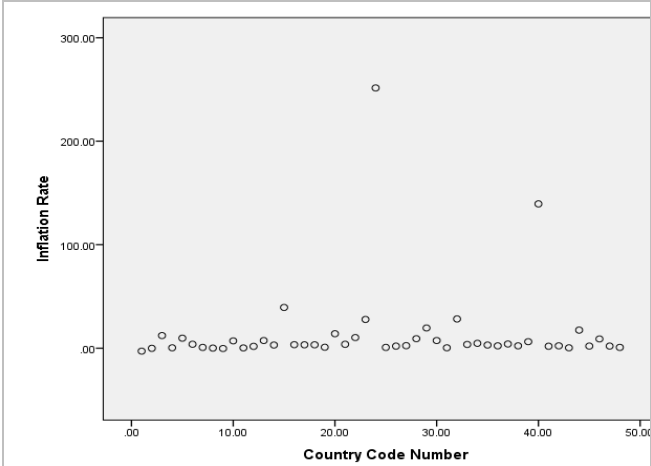


Fig 3. Scatter Plot- Inflation rate in Asian Countries

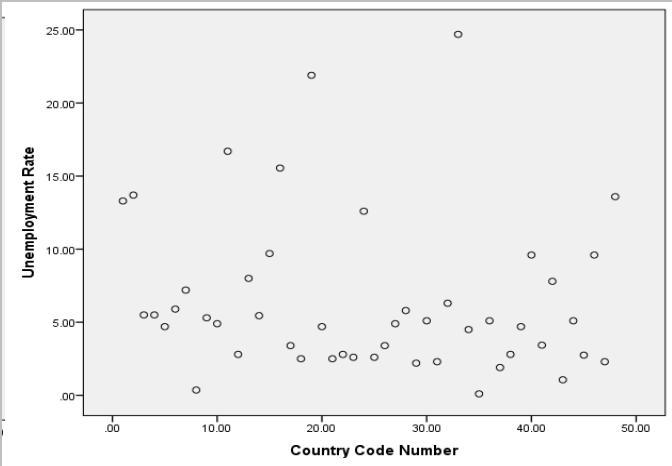


Fig 4. Scatter Plot- Unemployment rate in Asian Countries

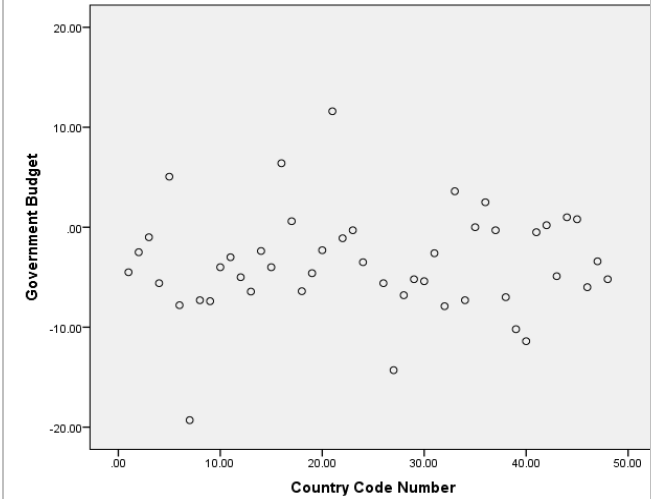


Fig 5. Scatter Plot- Government budget in Asian Countries

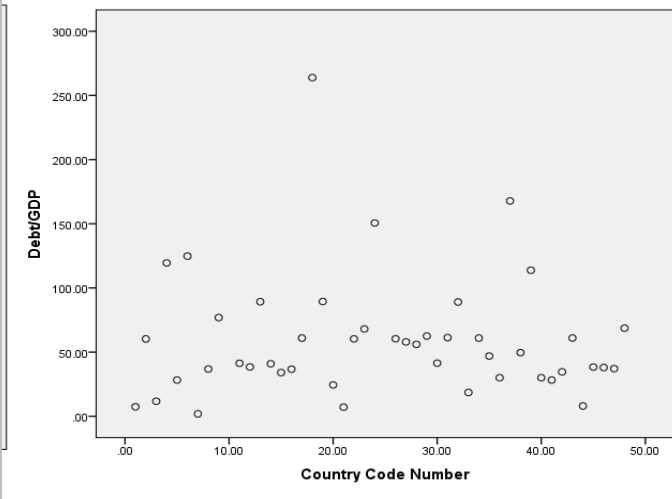


Fig 5. Scatter Plot- Debt/GDP in Asian Countries

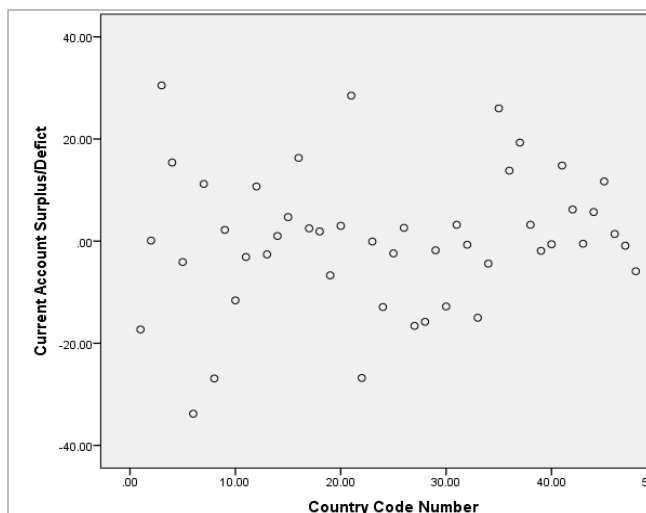


Fig 5. Scatter Plot- Current account in Asian Countries

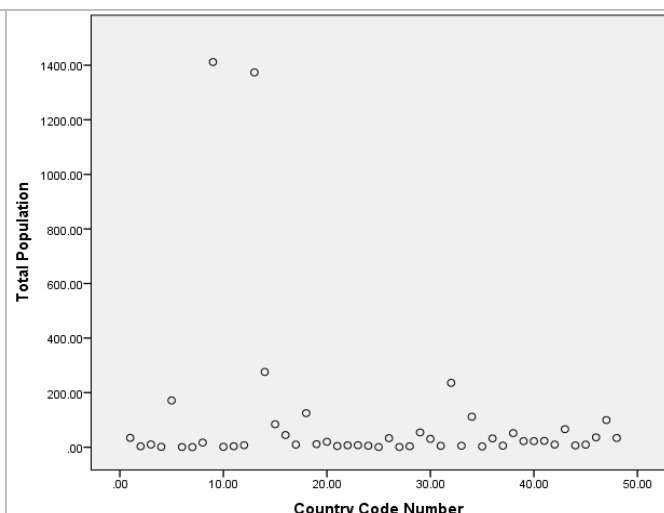


Fig 5. Scatter Plot- Total Population in Asian Countries

Best and worst performing countries in ASIA (As of August 2023 Economic Performances)

In terms of GDP, the analysis of the data in Table 1 showcases significant variations among the countries. China leads with the highest GDP of \$17963 billion, underscoring its unmatched global economic influence and robust economic activities. Japan closely follows with a substantial GDP of \$4231 billion, signifying its technological advancements and well-developed industries. India, with its noteworthy GDP of \$3385 billion, emerges as a major economic player, propelled by a burgeoning consumer market and diverse economic sectors. Notably, East Timor and Bhutan stand out as the lowest with both countries having a GDP of \$3 billion each. These diverse GDP figures collectively represent the economic dynamics and varying scales of these countries within the Asian region.

Analysis of Philippines' Economic Performance (As of August 2023 Economic Performances)

The analysis of the data in Table 2 shows that the economic performance of the Philippines as of August 26, 2023, presents a mixed picture across various key indicators. The GDP growth rate has experienced a contraction of -0.9% compared to the previous year, indicating a temporary decline in economic activity. However, the GDP annual growth rate remains positive at 4.3%, albeit lower than the previous year's 6.4%. The overall GDP stands at \$404 billion USD, showing a moderate increase from the previous year's \$394 billion USD.

Despite the challenging growth environment, certain sectors have demonstrated resilience. The GDP from manufacturing has decreased slightly from the previous year's value of \$986.9 billion PHP to \$914.4 billion PHP, suggesting a potential slowdown in industrial activity. The construction sector, on the other hand, has shown significant growth, with the GDP from construction rising from \$281.1 billion PHP to \$924.3 billion PHP. This growth could indicate increased infrastructure projects and construction activities within the country.

The services sector continues to play a pivotal role in the economy, contributing a substantial GDP of \$3.23 trillion PHP, up from \$2.99 trillion PHP in the previous year. This growth reflects the importance of services in the Philippine economy, encompassing various segments such as public administration, transportation, utilities,

The GDP per capita has seen improvement, reaching \$3528 USD compared to the previous year's \$3328 USD. Similarly, the GDP per capita at purchasing power parity (PPP) has risen to \$8582 USD from \$8096 USD, indicating an increase in the average income and purchasing power of citizens.

In terms of investment, the gross fixed capital formation has surged to \$1.38 trillion PHP from \$1.1 trillion PHP, potentially signaling increased capital expenditure and investment in productive assets.

Overall, while the Philippines is facing some economic challenges with a negative GDP growth rate and slower annual growth, certain sectors such as construction and services have shown resilience and growth. The improvement in GDP per capita and gross fixed capital formation indicates efforts to boost income levels and investment in the economy. The dynamic performance of different sectors underscores the complex nature of the Philippine economy as it navigates through various opportunities and challenges.

Comparative Economic Analysis: Philippines vs. Regional Peers

As of August 26, 2023, the economic performance of the Philippines presents distinct features when compared to certain economic indicators of other countries in the region, including Bhutan and East Timor. Notably, the Philippines experienced a contraction in GDP growth rate, recording -0.9%, which stands in contrast to countries like China and India that continue to display positive growth rates. China's GDP growth rate was noted at 6.3%, highlighting its robust economic expansion, while India's growth rate stood at 6.1%, reflecting its ongoing economic momentum.

Furthermore, the Philippines' GDP annual growth rate of 4.3% is notably lower than that of China, which achieved a growth rate of 6.3%. This variance in growth rates signifies differing economic trajectories, with China maintaining a faster pace of expansion. In terms of GDP, the Philippines' economy is valued at \$404 billion USD, which is significantly smaller compared to China's impressive GDP of \$17963 billion USD and India's \$3385 billion USD. These differences underscore the varying scales of economic output among these countries.

Interestingly, the Philippines' GDP from construction has seen a remarkable increase from \$281.1 billion PHP to \$924.3 billion PHP, indicating a substantial boost in construction activities. This contrasts with China, where construction is a major contributor to its economy, reflecting the ongoing urbanization and infrastructure development in the country. The services sector in the Philippines has demonstrated strength, contributing a substantial GDP of \$3.23 trillion PHP. This is notably higher than India's services sector contribution of \$275.8 billion USD, showcasing the Philippines' strong reliance on the services industry.

In summary, the Philippines' economic performance as of August 26, 2023, showcases unique trends and challenges. While the country faces a contraction in GDP growth and slower annual growth compared to certain peers, sectors like construction and services exhibit resilience and growth. When compared to countries like China, India, Bhutan, and East Timor, the Philippines' economic scale and growth trajectory reflect distinctive economic dynamics within the region.

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