**DOF Economic Bulletin on Exports**

18 June 2015

         Lower demand from East Asia including ASEAN, China and Japan led to the drop in exports by 4.1% in April and by 1.2% since the beginning of the year. However, YTD, US exports rose 12.7% and EU, 9.6%.

         Lower demand adversely affected almost all product lines. The biggest drops were from agro-based  (-33.1%) and mineral products(-18.2%). The drop is caused mainly by lower commodity prices and weaker exchange rates. Data show rising volumes for these products.

          Exceptions to the downturn are electronics which grew by 6.2% YTD, machinery and transport equipment which grew by 13.7% YTD, garments which expanded by 10.2% YTD and coconut products which grew 21.7% YTD. Electronics’ share swelled to 55.4%  of the total exports from 46.1% last year.

          At 4.1% decline, the Philippines is one of the better performing exporters with India suffering a 14.8% decline; Taiwan, 6.2% decline; Thailand, a 4% decline and China, a slight 1.5% rise.

**DOF View**

         In view of low export demand, the country should refocus to the domestic market, tapping its abundant fiscal space and its growing need for infrastructure.

         The country should continue to promote its advantages as location for electronics and transport equipment manufacturers since these sectors are expected to grow rapidly with robust export demand slowly picking up in US and Europe.

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| ***EXPORTS BY COMMODITY GROUP*** |
| In Thousand US Dollars |
|   | **2015** |  | **2014** |  | **Growth** |
|   | **April** | **% Share** |  | **April** | **% Share** |  | **(%)** |
| Total | 4,376,347 | 100 |  | 4,563,491 | 100 |  | -4.1 |
| Agro -based | 230,963 | 5.3 |  | 345,016 | 7.6 |  | -33.1 |
| Forest | 7,708 | 0.2 |  | 7,608 | 0.2 |  | 1.3 |
| Mineral | 260,262 | 5.9 |  | 318,021 | 7 |  | -18.2 |
| Petroleum | 2,698 | 0.1 |  | 51,986 | 1.1 |  | -94.8 |
| Manufactures | 3,787,942 | 86.6 |  | 3,757,243 | 82.3 |  | 0.8 |
|  |  |  |  |  |  |  |  |
| Electronics | 2,216,484 | 50.6 |  | 1,881,414 | 41.2 |  | 17.8 |
| Machinery & Transport Eqt | 312,338 | 7.1 |  | 336,227 | 7.4 |  | -7.1 |
| Special Transactions | 86,775 | 2.0 |   | 83,618 | 1.8 |   | 3.8 |
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| ***EXPORT PERFORMANCE BY COUNTRY***In Million US Dollars |
|  | ***APRIL*** |  | ***JAN TO APRIL*** |
|  | ***2015*** | ***% Share*** | ***2014*** | ***% Share*** | ***% Growth*** |  | ***2015*** | ***% Share*** | ***2014*** | ***% Share*** | ***% Growth*** |
| Total | 4,376.35 | 100 | 4,563.49 | 100 | -4.1 |  | 18,623.25 | 100 | 18,840.32 | 100 | -1.2 |
| Japan | 784.9 | 17.9 | 935.29 | 20.5 | -16.1 |  | 3,727.80 | 20 | 4,588.78 | 24.4 | -18.8 |
| USA | 700.21 | 16 | 740.01 | 16.2 | -5.4 |  | 3,004.71 | 16.1 | 2,666.57 | 14.2 | 12.7 |
| China | 467.67 | 10.7 | 569.53 | 12.5 | -17.9 |  | 1,939.84 | 10.4 | 2,241.76 | 11.9 | -13.5 |
| Hong Kong | 451.07 | 10.3 | 367.23 | 8 | 22.8 |  | 1,812.20 | 9.7 | 1,435.27 | 7.6 | 26.3 |
| Singapore | 260.16 | 5.9 | 389.26 | 8.5 | -33.2 |  | 1,145.42 | 6.2 | 1,478.92 | 7.8 | -22.6 |
| South Korea | 229.55 | 5.2 | 210.63 | 4.6 | 9 |  | 778.72 | 4.2 | 926.28 | 4.9 | -15.9 |
| Germany | 202.49 | 4.6 | 193.64 | 4.2 | 4.6 |  | 875.65 | 4.7 | 835.27 | 4.4 | 4.8 |
| Taiwan | 159.37 | 3.6 | 150.4 | 3.3 | 6 |  | 634.89 | 3.4 | 623.05 | 3.3 | 1.9 |
| Thailand | 148.41 | 3.4 | 196.95 | 4.3 | -24.6 |  | 729.75 | 3.9 | 799.2 | 4.2 | -8.7 |
| Netherlands | 125.43 | 2.9 | 142.18 | 3.1 | -11.8 |  | 596.78 | 3.2 | 605.56 | 3.2 | -1.4 |
| Others | 847.09 | 19.4 | 668.38 | 14.6 | 26.7 |  | 3,377.51 | 18.1 | 2,639.66 | 14 | 28 |
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Source: NSO

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