PHILIPPINE TRADE GAP WIDER THAN EARLIER REPORTED.

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759 words
19 November 1987
Reuters News
English

MANILA, Nov 19 - National Statistics Office (NSO) figures show the Philippines' trade deficit stood at 674 million dollars in the January-September period, up from 168 million dollars in the same 1986 period, and wider than the 574 million dollar deficit reported by Central Bank Governor Jose Fernandez last week.

The NSO said exports during the period totalled 4.08 billion dollars, while imports totalled 4.75 billion dollars.

Fernandez had told reporters imports totalled 4.65 billion dollars in the period. A senior Central Bank official said the discrepancy may have been due to under-reported imports.

"We did not have final figures from the NSO with us when the governor addressed the press conference," the official, who requested anonymity, said.

The country's trade deficit was 202 million dollars in 1986.

Meanwhile, a top planning official said economic growth in 1987 may have been stunted by a major shortfall in budgeted government spending.

Economic Planning Secretary Solita Monsod told reporters that government expenditure in the January 1-October 15 period totalled 94.6 billion pesos, 3.1 billion pesos less than the programmed 97.7 billion pesos.

Monsod said preliminary data showed industry grew by 22 pct in the third quarter over the same 1986 period, compared with a 16.9 pct year-on-year growth in the first half.

She said actual disbursement figures showed the public sector had been underspending and this was likely to affect the government's gross national product (GNP) growth target.

Acting Finance Secretary Victor Macalincag said revenues totalled 73.8 billion pesos in the January-September period, lower than the projected 77 billion, but the shortfall was made up by expenditures of 90.2 billion pesos, lower than the target by four billion pesos.

The government has predicted GNP growth at between 5.2 and 5.7 pct for 1987. GNP grew by a modest 1.5 pct in 1986 after contracting by 11.6 pct over 1985 and 1984.

It grew by 5.1 pct in the first half, but Sergio Andal, a forecaster at the independent Center for Research and Communication, said he estimated GNP would grow by about 4.3 pct this year. The state-owned Philippine National Bank had predicted a GNP growth of 4.9 pct.

Andal said the first-half growth figures were misleading. "The illusion of high growth rests on the fact that the growth rate was computed over a base which was very low," he said.

Andal said he projected GNP would grow by between 4.5 and five pct in 1988, against a government projection of 6.5 pct.

He said the first-half growth had been consumer-led, but the economy needed to be investment-led to sustain the pace.

"We are still in the stage where consumer spending has revived after a three-year recession and will continue to push total economic growth," he said.

Central Bank Governor Fernandez told an investments conference at the weekend that foreign investments, based on balance of payments figures, rose to 88 million dollars in the third quarter from 25 million dollars in the previous quarter.

Fernandez did not give comparative figures for 1986, but balance of payments figures show a net inflow of 34 million dollars in direct foreign investments in the third quarter of 1986 and a net inflow of 25 million dollars in the second quarter of 1986.

Fernandez said gross domestic capital formation expanded by 10.7 pct in the first half of 1987 after declining cumulatively by 73 pct in the past three years.

He said Securities and Exchange Commission data showed that the number of newly-registered business firms rose to 7,948 in the January-September period, 35 pct higher than the 5,906 in the comparable 1986 period.

But Central Bank figures show that foreign investments, as a component of gross international reserves, declined to 779 million dollars in September from 1.39 billion dollars in August, apparently as a result of a bloody August 28 coup attempt.

The figures show that the foreign reserves stood at 2.11 billion at end-September, up from 1.71 billion a year earlier.

At end-September, gold reserves stood at 1.07 billion dollars, up from 600 million dollars a year earlier. SDR (special drawing rights) reserves stood at 3.62 million dollars, up from 2.08 million, while foreign currency reserves stood at 58.41 million dollars, down sharply from 75.24 million a year earlier.

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