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Press Release
National Accounts, Q3 2012

*Philippine Economy accelerates by 7.1 percent in Q3 2012*

Beating expectations, the domestic economy accelerated for the third consecutive quarter to 7.1 percent this year from the 3.2 percent last year. The beyond expectation third quarter growth was driven by the Services sector with the robust performances of Transport, Storage & Communication, Financial Intermediation, and Real Estate, Renting & Business Activities supported by the five consecutive quarters of sustained accelerated growth of the Industry and the seemingly weather tolerant Agriculture sector. With the upwardly revised second quarter Gross Domestic Product (GDP) estimate, the growth for the first nine months of 2012 at 6.5 percent surpassed the upper end target of the 6.0 percent for the whole year.

On the demand side, increased consumer and government spending, increased investments in Construction, and the third consecutive quarter of growth in external trade contributed to the highest quarterly growth since the third quarter of 2010.

The rebound of the Net Primary Income from the Rest of the World by 4.9 percent pushed the Gross National Income (GNI) to grow by 6.6 percent from 2.2 percent in 2011.

On a seasonally adjusted basis, GDP grew by 1.3 percent from 1.2 percent while GNI grew at a slower pace of 1.2 percent in the third quarter from 1.4 percent in the second quarter of 2012. Agriculture, Hunting, Forestry and Fishery sector grew by 0.2 percent, a slowdown from the 1.7 percent in the previous quarter while Industry accelerated at 2.1 percent from 0.2 percent with all subsectors except for Mining and Quarrying contributing robustly to the growth. On the other hand, the Services sector recorded a 1.0 percent growth for the third quarter of 2012 from 1.7 percent in the previous quarter with the positive growth of all its subsectors.

With projected population growing by 1.7 percent to 96.0 million, per capita GDP grew by 5.3 percent, per capita GNI accelerated by 4.8 percent while per capita Household Final Consumption Expenditures (HFCE) upped its growth by 4.4 percent.

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