



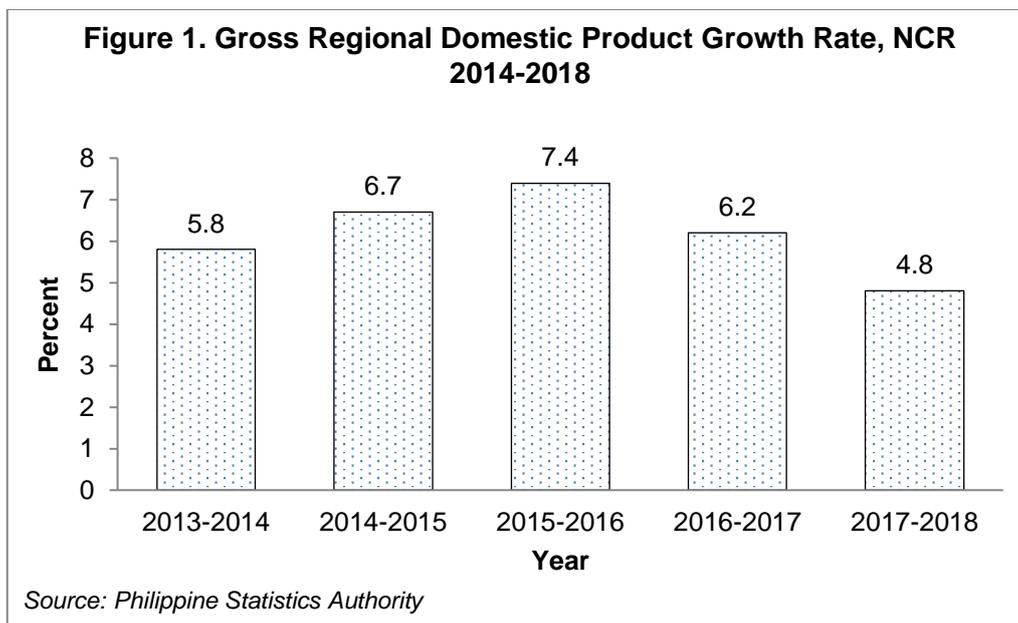
SPECIAL RELEASE

Regional Economy of the National Capital Region (NCR) in 2018

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NCR's economy grows at a slower pace in 2018

The economy of National Capital Region grew at a slower pace to 4.8 percent in 2018 from 6.2 percent in 2017. The main drivers for growth in 2018 were Trade, Public Administration and Defense, Financial Intermediation, and Real Estate, Renting and Business Activities.



Services account the largest share of the region's economy

The Services continued to account for the largest share of the region's economy, with a share of 82.8 percent of the total domestic production. Industry and Agriculture, Hunting, Forestry, and Fishing (AHFF) accounted for 17.0 percent and 0.2 percent of the region's total output, respectively.

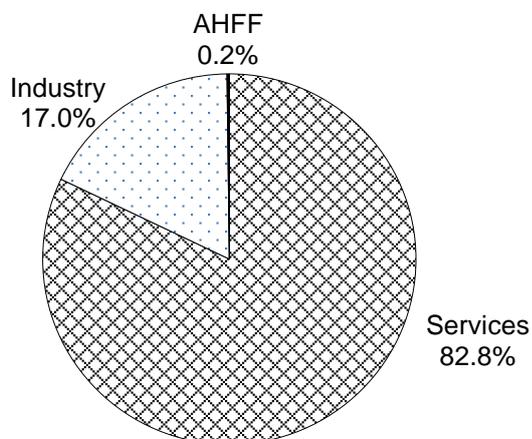


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Figure 2: Percentage Distribution by Major Sector, NCR: 2018



Source: Philippine Statistics Authority

Services decelerate to 5.8 percent in 2018

Services decelerated to 5.8 percent in 2018 from 7.1 percent in 2017. Public Administration and Defense, and Transportation, Storage and Communication grew faster to 16.1 percent in 2018 from 9.5 percent in 2017 and 2017 to 4.7 percent in 2018 from 2.2 percent in, respectively. Meanwhile, the following subsectors grew at a slower pace: Trade to 5.7 percent in 2018 from 8.2 percent in 2017; Financial Intermediation to 6.1 percent in 2018 from 7.4 percent in 2017; Real Estate, Renting and Business Activities to 4.0 percent in 2018 from 8.0 percent in 2017; and Other Services to 4.1 percent in 2018 from 4.5 percent in 2017.

Industry decelerates to 0.5 percent in 2018

Industry decelerated to 0.5 percent in 2018 from 2.0 percent in 2017. This was attributed to the contraction of Manufacturing to 3.4 percent decline in 2018 from 6.3 percent growth in 2017. Manufacturing comprised more than two-thirds of the total Industry Sector. On the other hand, Construction rebounded to 16.9 percent growth in 2018 from 16.2 percent decline in 2017. Electricity, Gas and Water Supply accelerated to 3.5 percent in 2018 from 2.3 percent in 2017.

Agriculture, Hunting, Forestry and Fishing (AHFF) registers at 0.4 percent growth in 2018

AHFF slowed down to 0.4 percent growth in 2018 from 0.7 percent growth in 2017. Agriculture and Forestry decelerated to 0.4 percent in 2018 from 0.7 percent in 2017. Fishing rebounded to 1.0 percent growth in 2018 from 0.3 percent decline in 2017.

Real per capita Gross Regional Domestic Product of NCR grows in 2018

With the region's projected population of 13.0 million in 2018, the average real per capita gross regional domestic product of NCR grew by 3.8 percent or from ₱244,589 in 2017 to ₱253,893 in 2018.



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Technical Notes

Definition

Gross Regional Domestic Product (GRDP) is the aggregate of gross value added (GVA) of all resident producer units in the region.

Components

The GRDP includes regional estimates on the three major sectors including their sub-sectors namely:

Agriculture, Hunting, Forestry and Fishing (AHFF)

Industry Sector

Mining and Quarrying

Manufacturing

Construction

Electricity, Gas and Water Supply (EGWS)

Service Sector

Transport, Storage and Communication (TSC)

Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods

Financial Intermediation (FI)

Real Estate, Renting and Business Activity (RERBA)

Public Administration and Defense; Compulsory Social Security (PAD)

Other Services (OS)

Considerations

In using the GRDP, the following points should be considered:

The following sectors (Manufacturing, TSC, RERBA, Trade and OS) are based on the Census of Philippine Business and Industry (CPBI) and Annual Survey of Philippine Business and Industry (ASPBI) results from PSA, which becomes available every two (2) years after the reference year. During the years when the CPBI or ASPBI results are not yet available, other indicators and the Quarterly Survey of Philippine Business and Industry

(QSPBI) trend are used to produce regional GVA estimates. In the case of the TSC, subsequent adjustments are made based on the additional indicators from administrative data of LTO, PPA, PAL, ATO, and PPC.

The regional GVAs for each of the sub-sectors of agriculture, fishery and forestry are estimated indirectly using the gross value-added ratio (GVAR) approach.

For private construction, regional distribution is based on the structure of the Building Permits data. For public construction disaggregation by region is based on the regional breakdown of the infrastructure program of NEDA and validated by the individual agencies' infrastructure programs.

For the sub-sector of electricity and water where available financial statements from NPC, MERALCO, REG, MWSS and LWUA can provide the required data inputs, the production approach is employed to estimate the regional GVAs.

The regional distribution of resources from the BSP factbook and Insurance Commission are used to estimate the regional GVAs of the Financial Intermediation sub-sectors.

For RERBA, regional benchmark estimates are obtained using the results of the latest Census of Population and Housing (CPH) and Family Income and Expenditure Survey (FIES). Regional data on the total floor area of residential construction available from Building Permits data of PSA serve as indicator for estimating the regional distribution of the number of occupied dwelling units.

The regional GVAs for the PAD are estimated based on the data from the Commission on Audit (COA).