



The Philippines
**AHK World Business Outlook
Survey Results**

Spring 2023



AHK

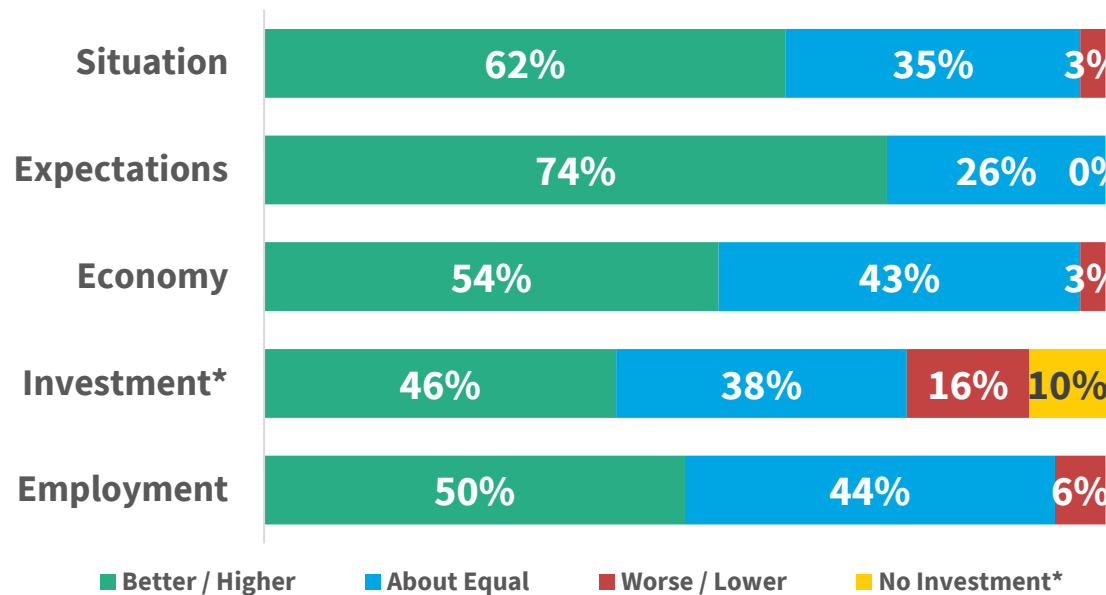
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Summary – Spring 2023

Overall, businesses engaged in German-Philippine economic relations express significant optimism regarding their local business prospects. However, they also identify certain risks, such as shortages of skilled labor, disruptions in supply chains, and economic policy uncertainties. Additionally, these companies anticipate an increase in geopolitical obstacles, such as inflation, trade barriers, and cybersecurity threats, over the next five years.



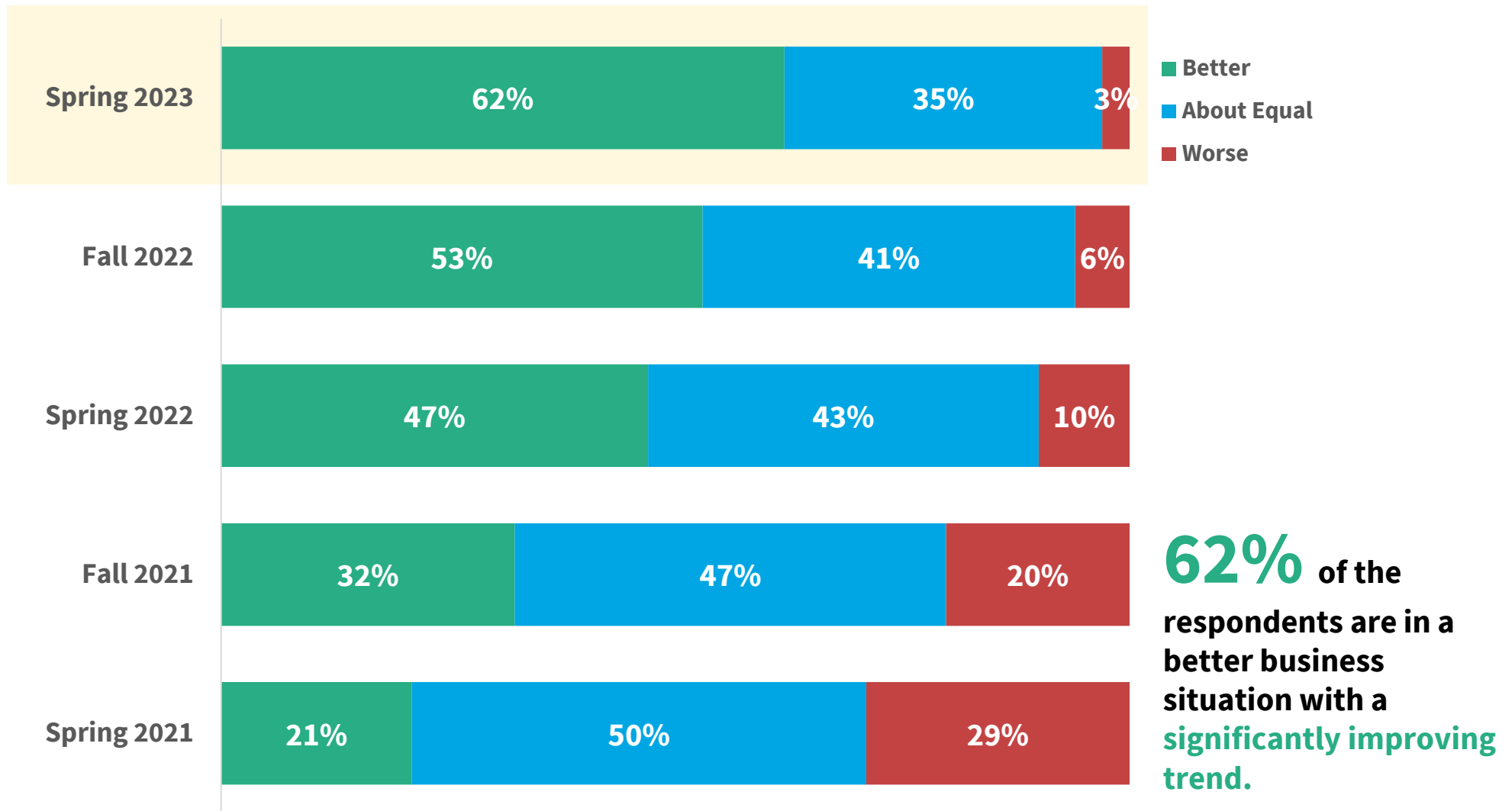
Top 3 Risks



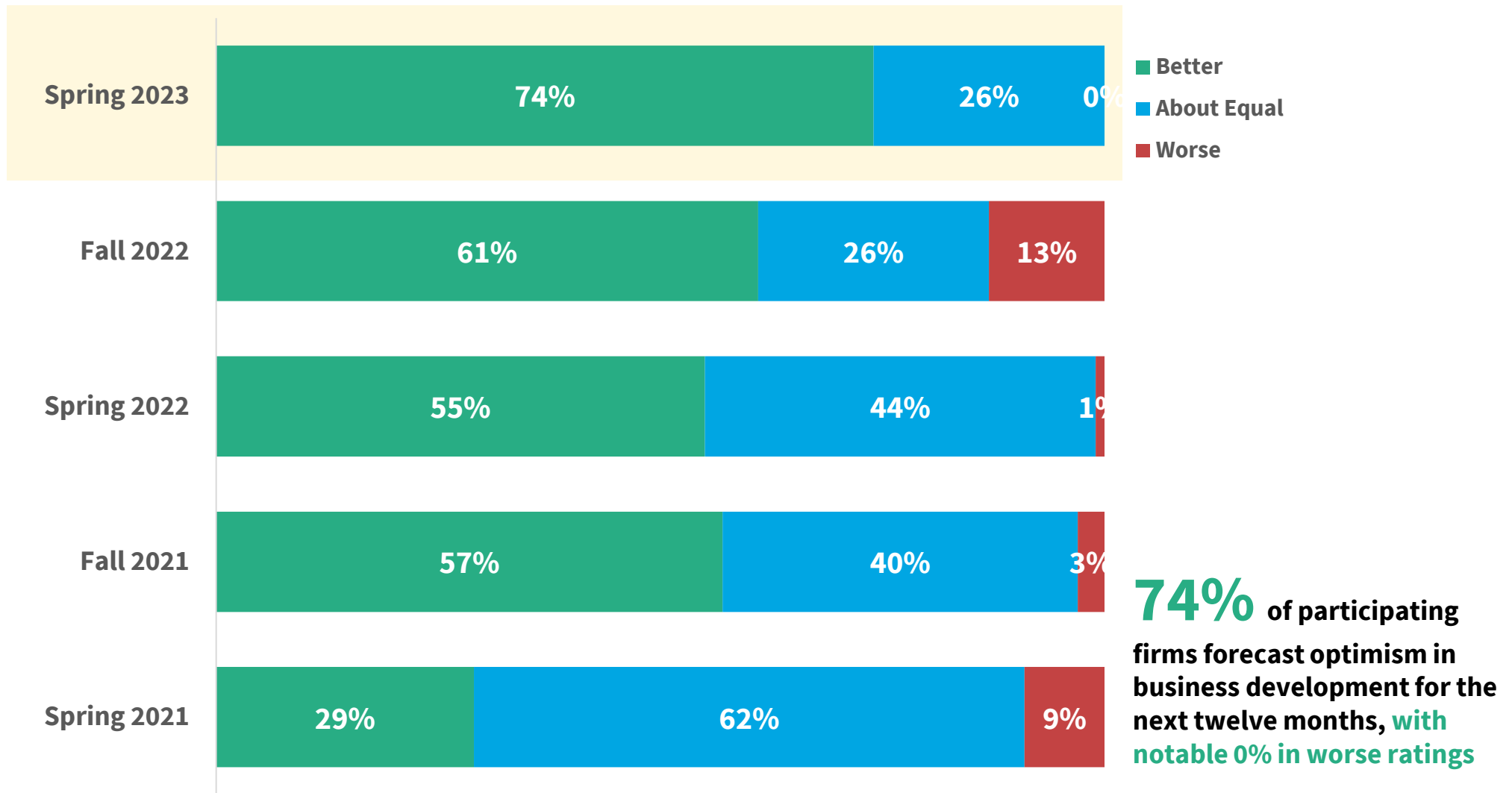
Top 3 Geopolitical Challenges



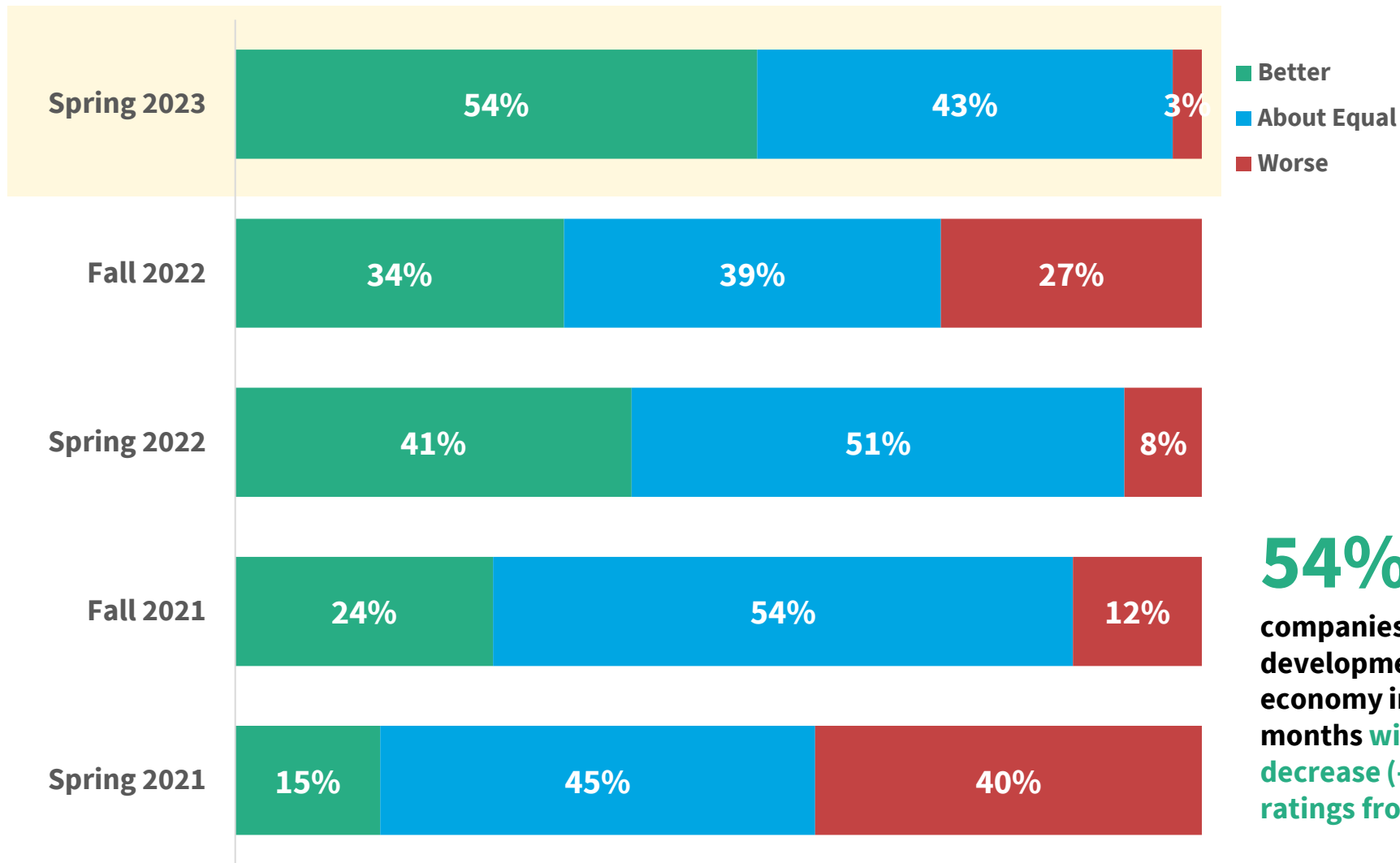
How do you assess the current situation of your company?



What business development does your company expect in the next twelve months?

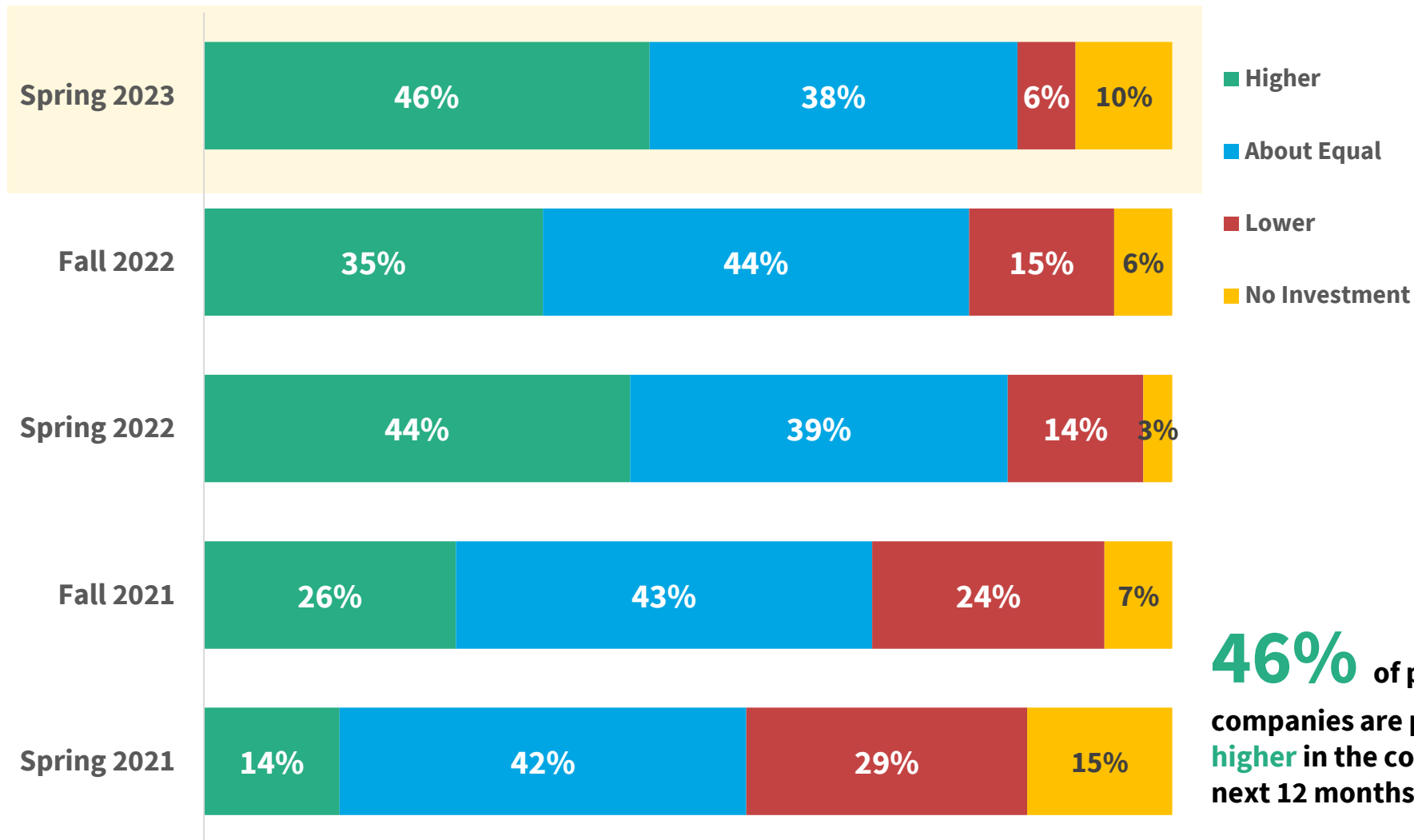


How do you judge local economic development in the next twelve months?



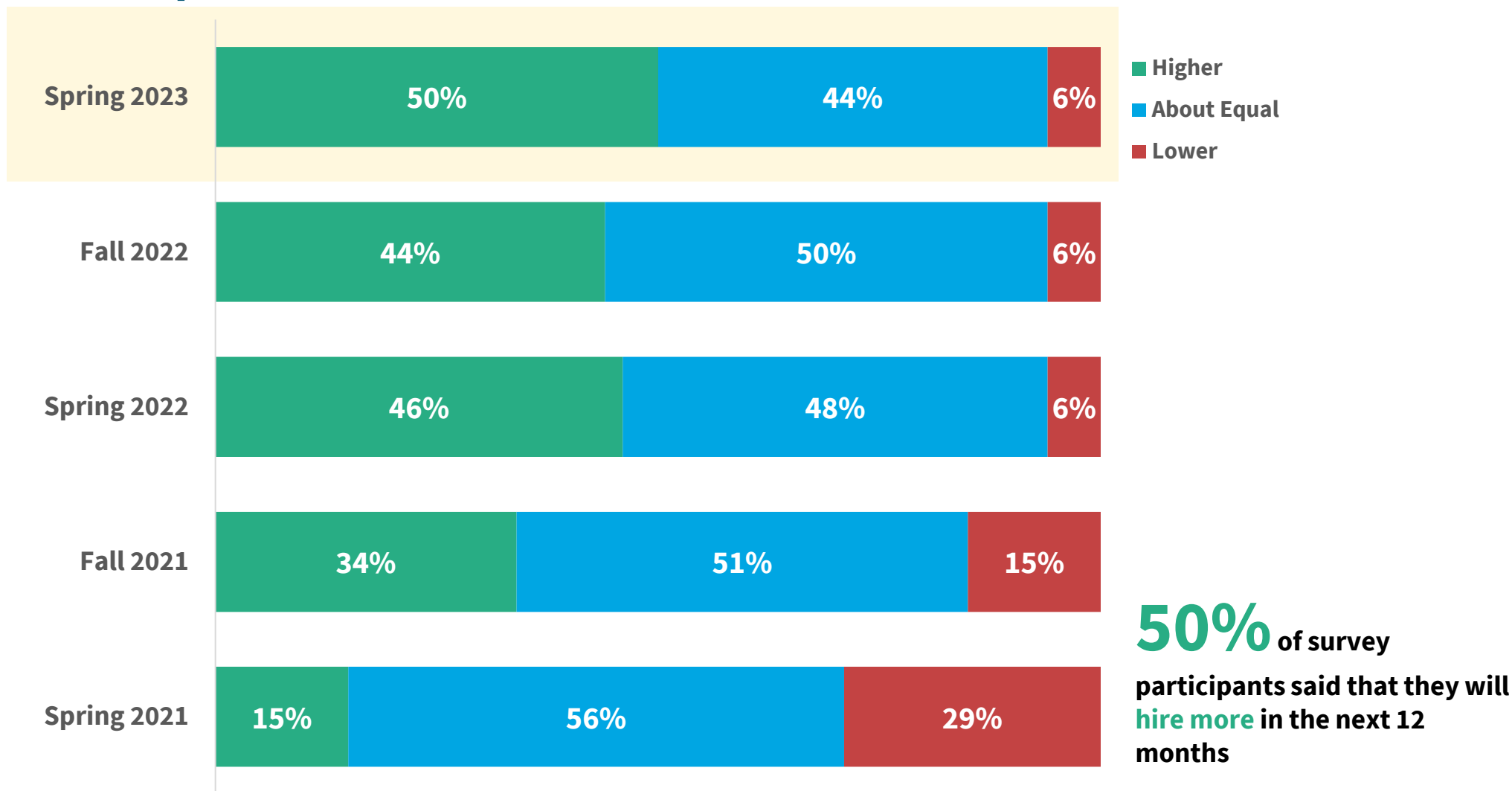
54% of participating companies forecast a better development on local economy in the next twelve months with a drastic decrease (-24%) in "worse" ratings from Fall 2022

How do you think **local investments of your company** are likely to develop in the next twelve months?



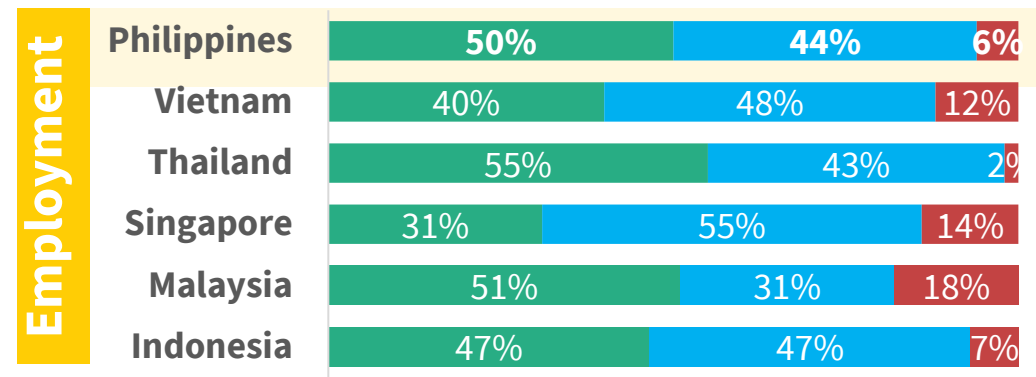
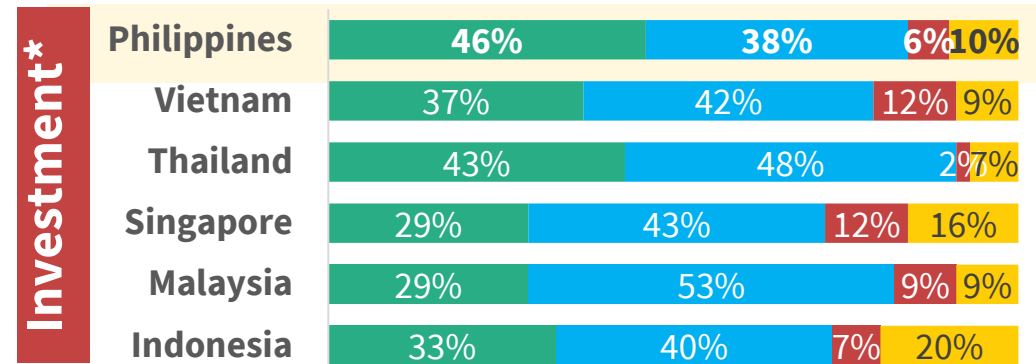
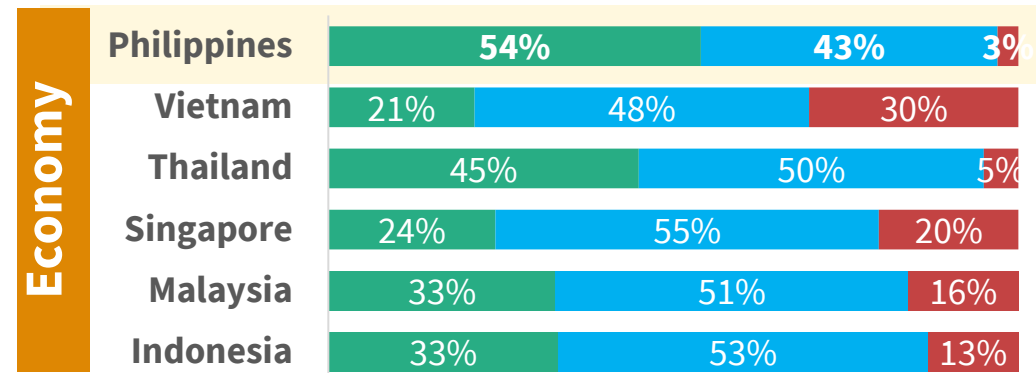
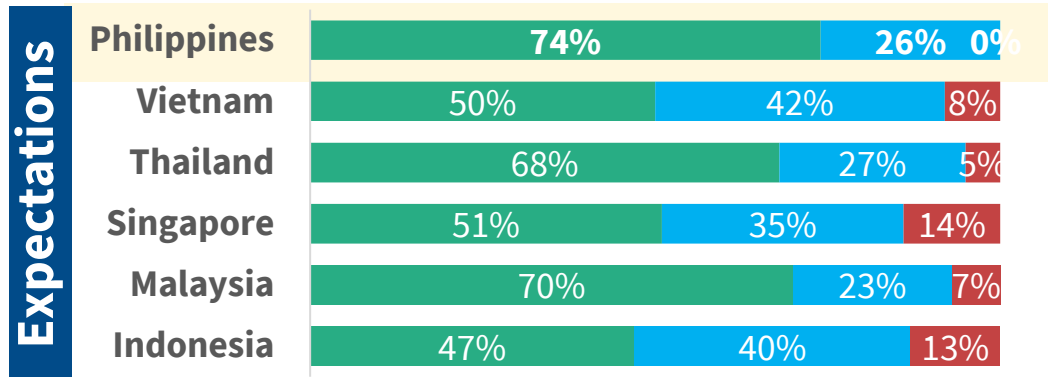
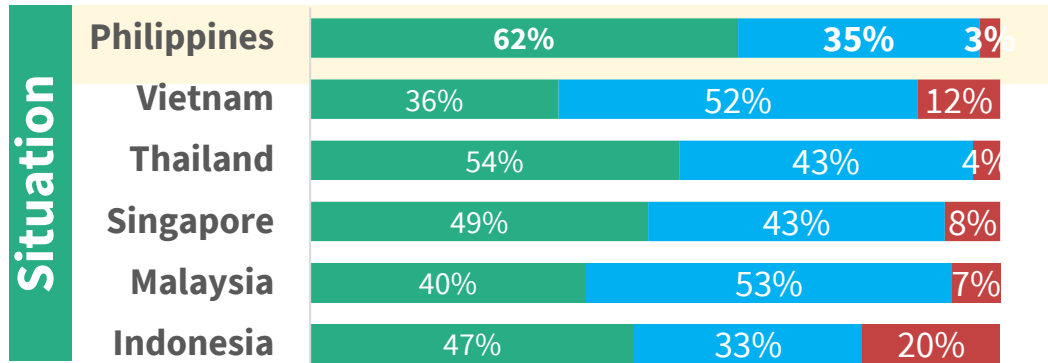
46% of participating companies are plan to **invest higher** in the country in the next 12 months

How do think local employment of your company is likely to develop in the next twelve months?



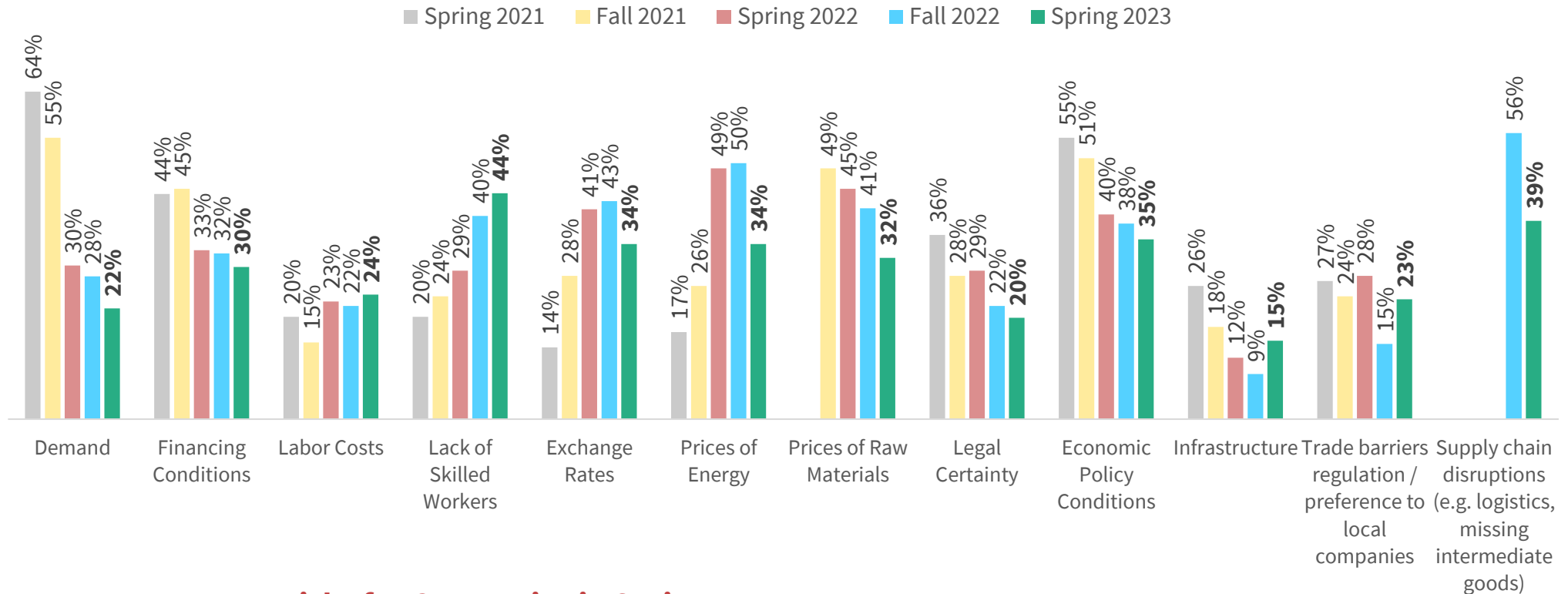
ASEAN Comparison: Overview

In comparison with countries in the ASEAN Region, the Philippines generally exhibited a **better / higher** results in almost all areas of the AHK World Business Outlook Spring 2023 Survey.



■ Better / Higher ■ About Equal ■ Worse / Lower ■ No investment*

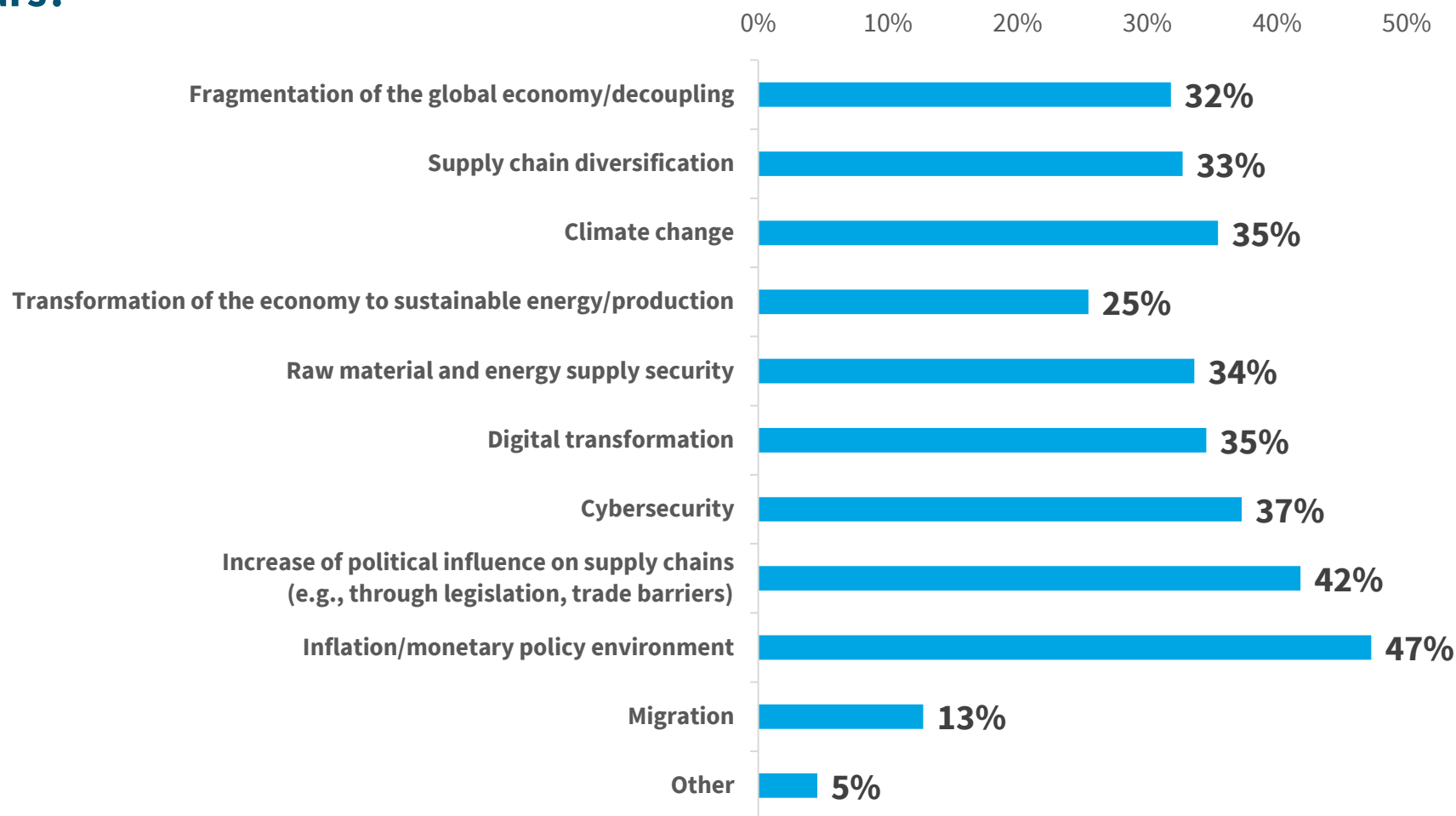
What are the biggest risks for your company's economic development in the next twelve months?



Top 3 Risks for Companies in Spring 2023:

1. Lack of Skilled Workers (44%)
2. Supply chain disruptions (e.g. logistics, missing intermediate goods) (39%)
3. Economic Policy Conditions (35%)

What are the biggest **geopolitical challenges** from your company's perspective in the next five years?



Top 3 Geopolitical Challenges for Companies in Spring 2023:

1. **Inflation / Monetary Policy Environment (47%)**
2. **Increase of Political Influence on Supply Chains (42%)**
3. **Cybersecurity (37%)**



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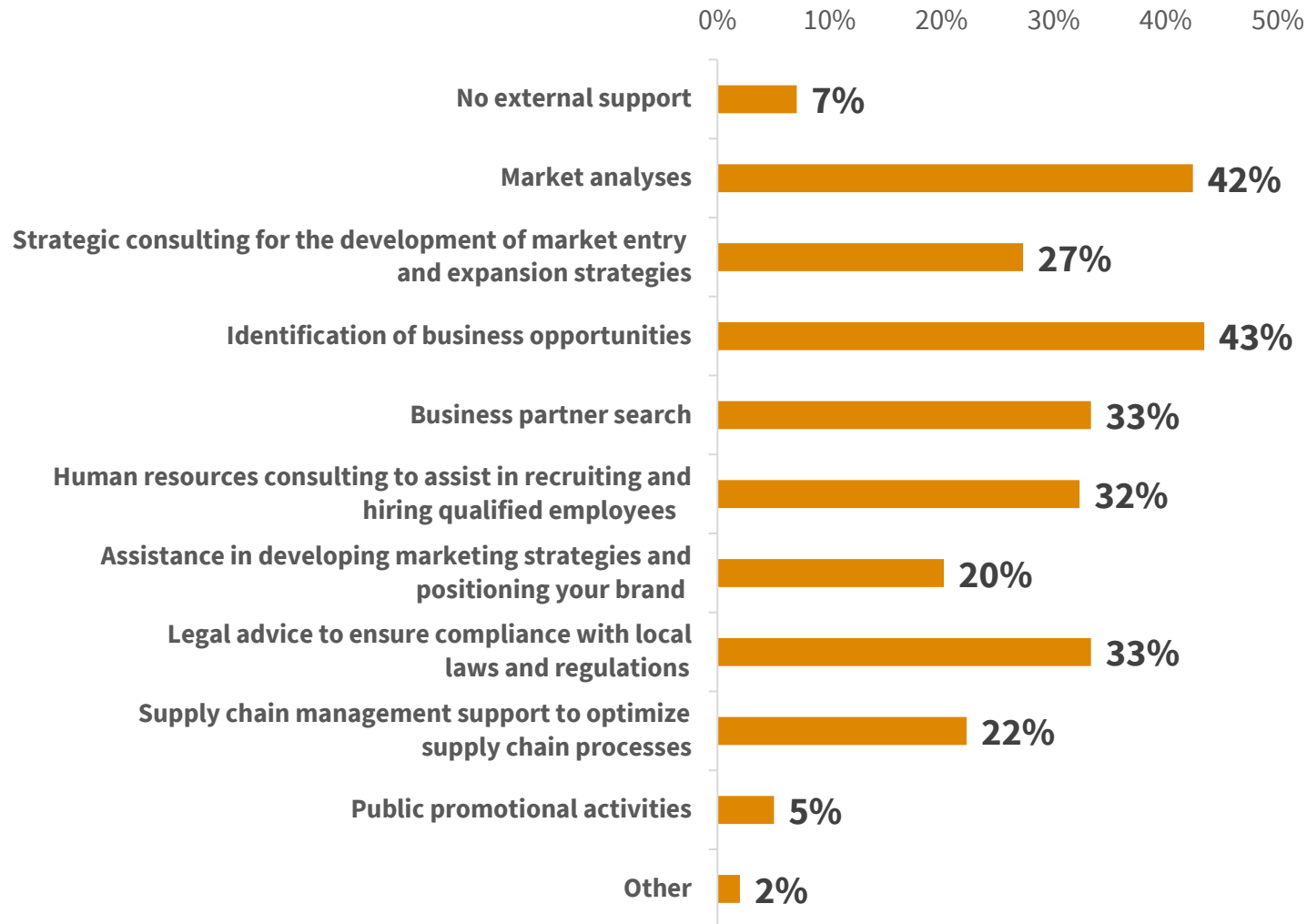
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**AHK World Business
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For those who answered “Supply Chain Diversification”: What challenges do you see in diversifying your supply chains and/or sales markets?



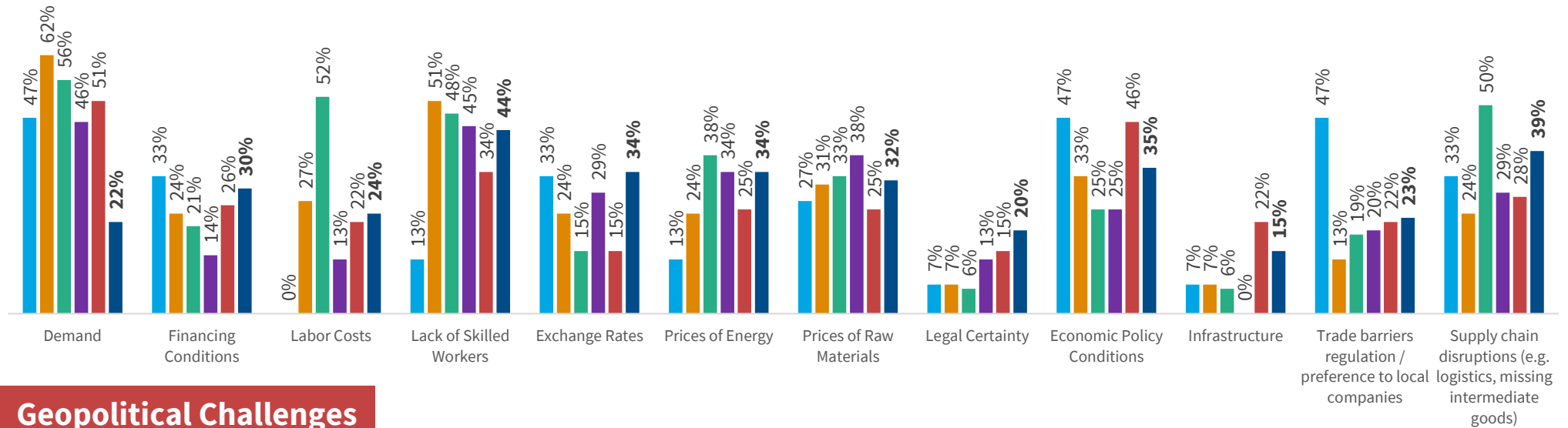
For those who answered “Supply Chain Diversification”: What external support do you use or would you like to receive in diversifying your supply chain or entering new markets?



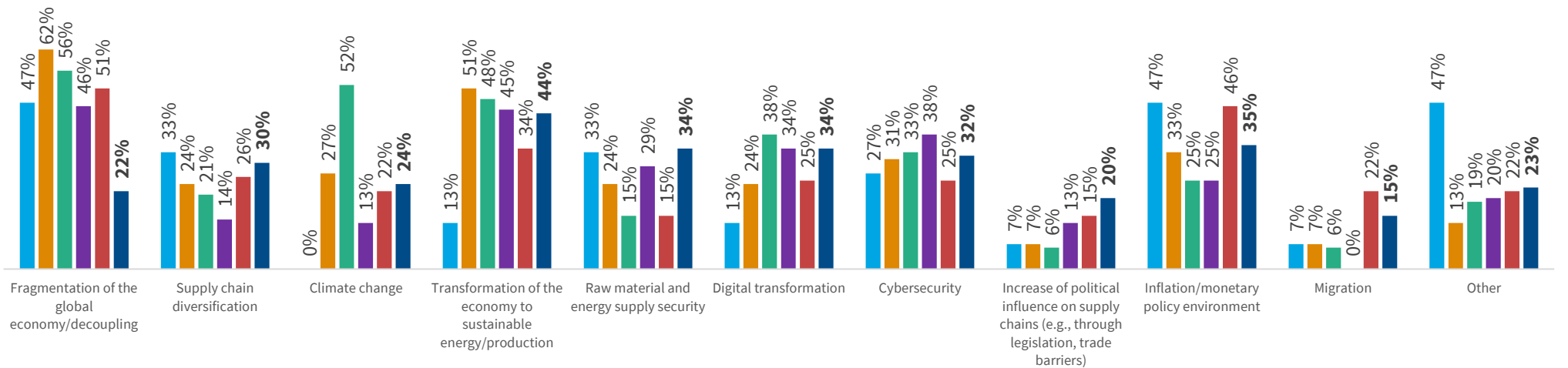
ASEAN Comparison: Risks and Geopolitical Challenges

Risks

Indonesia Malaysia Singapore Thailand Vietnam Philippines

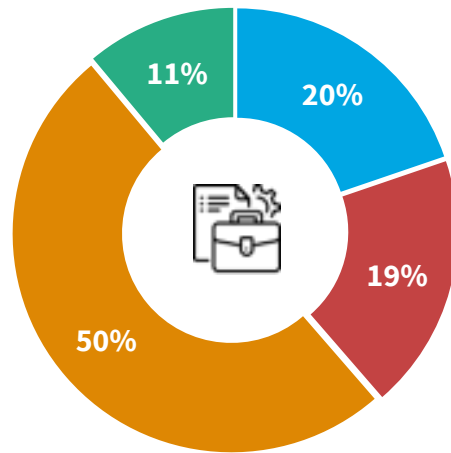


Geopolitical Challenges



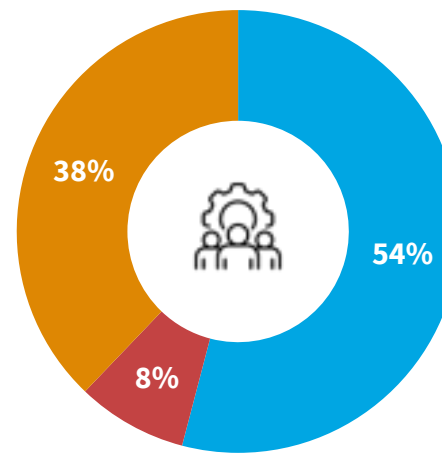
Survey Information

Sector



- Manufacturing / construction
- Trade
- Services
- Others

Employees Worldwide



- Less than 100 employees
- 100 to 1000 employees
- More than 1000 employees

The survey was sent out to companies involved in the German-Philippine Business relations with a total of 112 responses collected

For more details on the DIHK / AHK WBO and the comparison to the most recent WBO surveys in the Philippines, click the links below:

- AHK WBO Survey Results (Spring 2023): <https://bit.ly/3AVhjKC>
- GPCCI WBO Survey Results (Spring 2022): <https://bit.ly/3TuqbxC>
- GPCCI WBO Survey Results (Fall 2022): <https://bit.ly/410FKAW>
- Other surveys / publications: <https://bit.ly/3TyYfIL>

Imprint

Publisher

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