

# APEC AMID COVID-19

## Navigating Risks and Opportunities toward Resilience

Prolonged stay-at-home measures, mandatory and voluntary, have translated into significant cutbacks in consumption and investments.

*Between a rock and a hard place.* Absent vaccines and therapeutics, economies must choose:



Prolonged restrictions that risk economic scarring



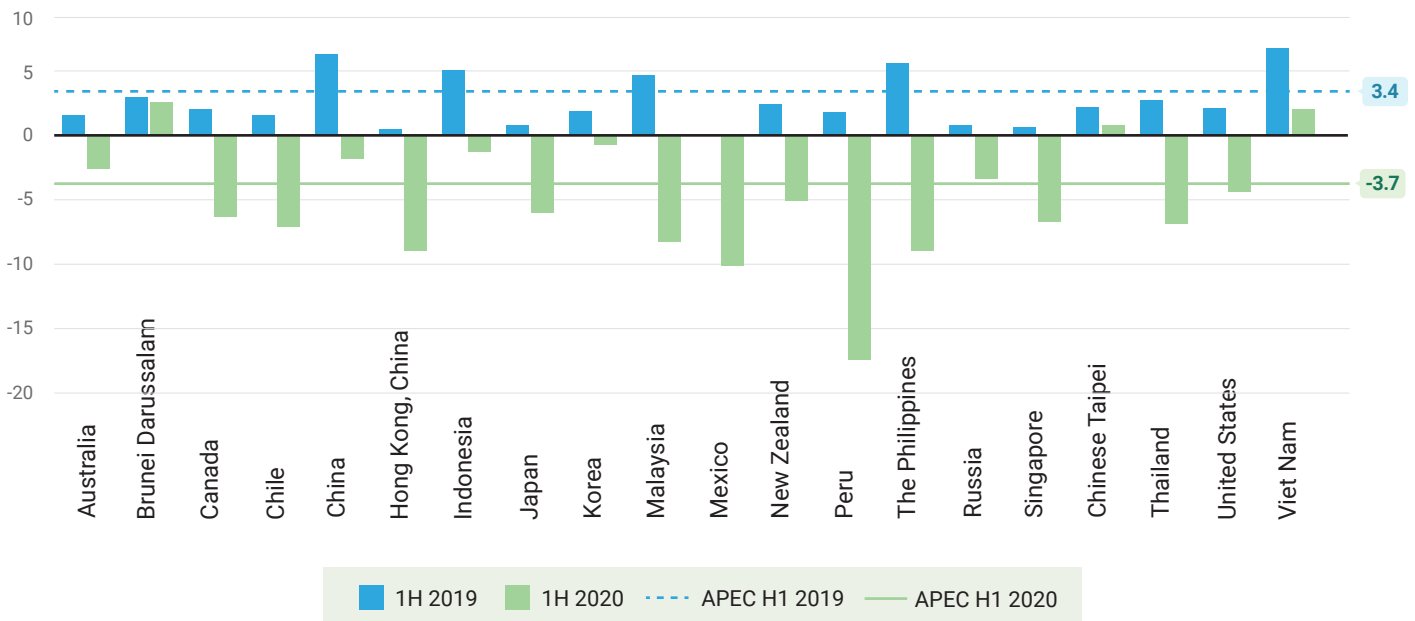
Re-opening of the economy that risks a resurgence in infections

In 2020, APEC's GDP is expected to contract by **2.5% or \$1.8 trillion**



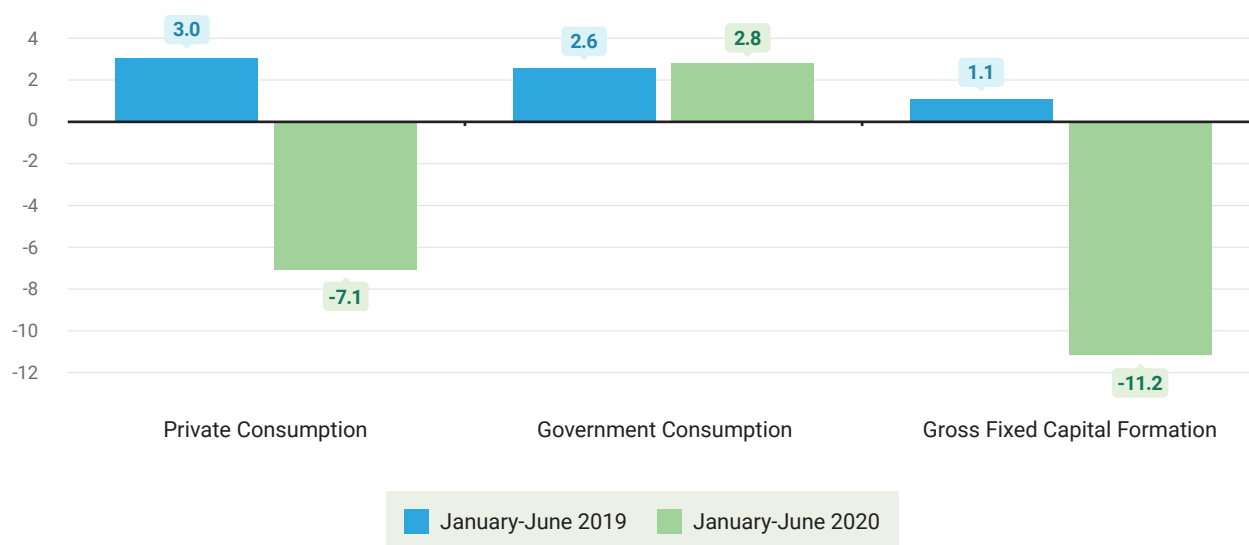
Economic output contracted by 3.7 percent in the first six months of 2020, a sharp reversal from the 3.4 percent growth seen in the same period in 2019.

Real GDP Growth (in %), 1H 2019 and 1H 2020



## Household consumption, a reliable source of growth for APEC economies, declined while investments contracted more in the first half of 2020.

Growth in Consumption and Investments (in %), 1H 2019 and 1H 2020



## Growth in the volume and value of merchandise trade recorded bigger contractions in January-June 2020 compared to year-ago levels...

Growth in the Volume of Merchandise Trade (in %)

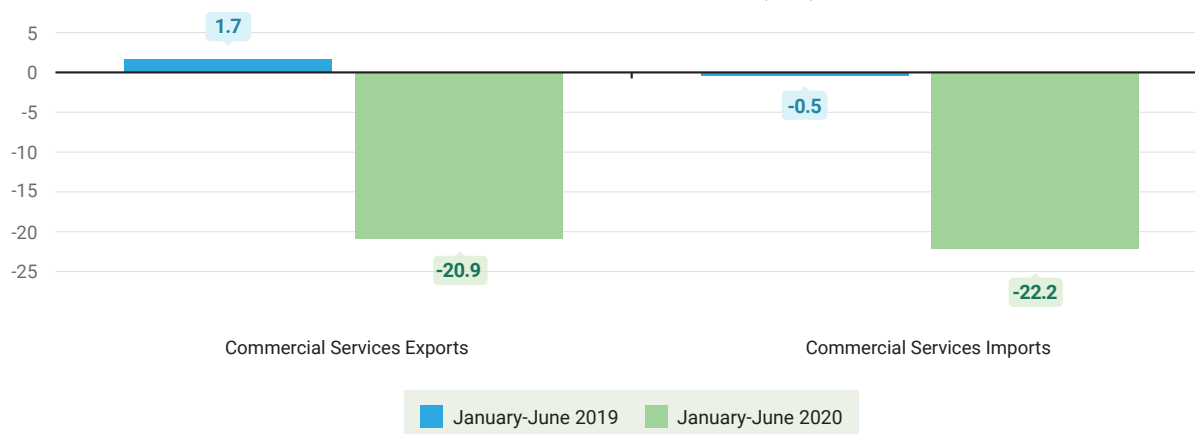


Growth in the Value of Merchandise Trade (in %)



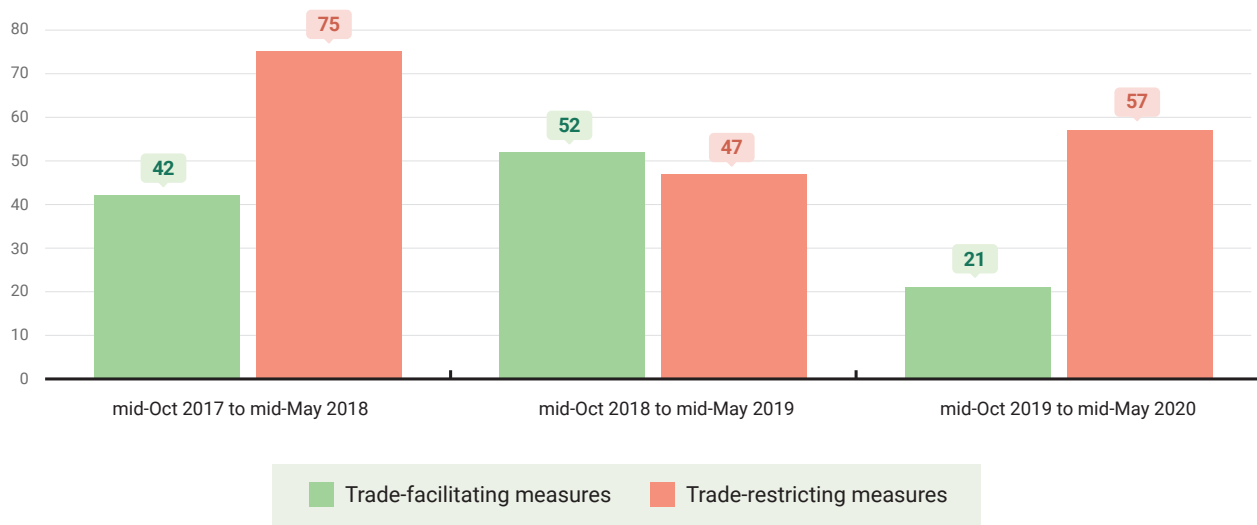
## ... while trade in commercial services plunged.

Growth in Commercial Services (in %)



**A key contributing factor to the continued weakness in trading activity is the proliferation of trade-restrictive measures.**

Trade and Trade-related Measures in APEC (in actual number), 2017-2020



**There are risks ahead, but there are also opportunities to build back better, stronger, and more resilient economies.**

**Policy considerations for APEC economies**



Moving towards digitalization



Investing in greener technologies



Strengthening supply chains, logistics management and trade relations



Continuing fiscal and monetary support



Advancing women's economic empowerment by expanding women's access to education and skills development, employment, and credit

**This is just an overview. To download the full report, go to [www.apec.org/publications](http://www.apec.org/publications) and search for "APEC Regional Trends Analysis."**