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.
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 and value of merchandise trade recorded bigger contractions in January–June 2020 compared to year-ago levels...

... 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.

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 and search for “APEC Regional Trends Analysis.”