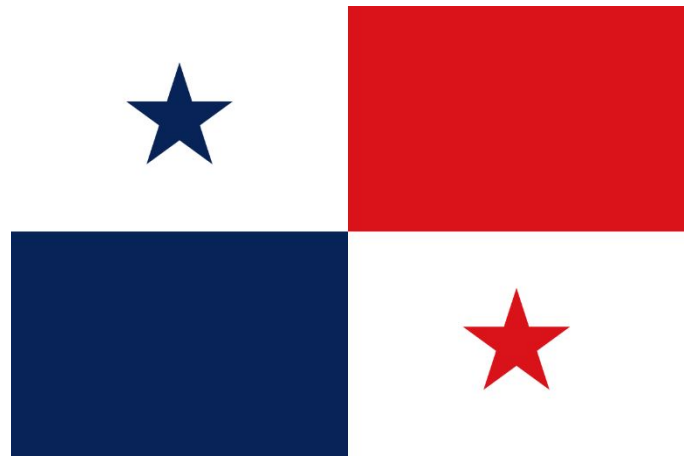


Panama Report Overview (updated as of Feb 1, 2021)

This is an overview of the economic and industry related information for Panama. This report will summarize the economic state of Panama and changes resulting from the COVID-19 pandemic.

Fast Facts/Statistics

- Population: \$4.2 Million
- GDP (PPP): \$133.587 Billion
- GDP per capita: \$31,495
- GDP growth rate: 5.4%
- Projected GDP growth rate: 3% (2021)
- Inflation (CPI): -.83%¹



Panama Overview and Economic Summary

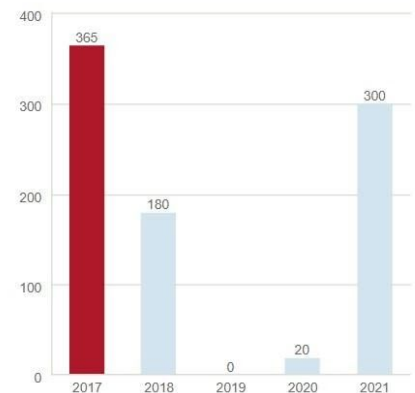
Prior to the impacts of the COVID-19 pandemic and, despite economic growth losing momentum in the last years, Panama has been one of the fastest growing economies in the world, with an average annual growth rate of 4.6% over the past five years. Growth in Panama for 2020 is expected to contract significantly, with main employment areas such as services and construction impacted. However, positive contributions to growth are expected to come from public expenditure, with subsequent increase in the fiscal deficit and public debt. A slight recovery is expected during 2021, driven by a rebound in trade, leading to the resumption of key services such as transport, logistics, and other sectors connected to the Canal, as well as construction and mining, combined with improvements in domestic consumption and investments.²

COVID-19 Impact and 2020 Economic Data

Panama's economic growth for 2020 is expected to significantly decrease within main employment areas such as services and construction. Although most sectors have been hit, positive contributions to growth are expected to come from public expenditure, with subsequent increase in the fiscal deficit and public debt. A slight recovery is expected during 2021, driven by a rebound in trade, leading to the resumption of key services such as transport, logistics, and other sectors connected to the Panama Canal, an essential highway for the world's goods. Construction and mining combined with improvements in domestic consumption and investments is also expected to increase slightly.

LENDING

Panama: Commitments by Fiscal Year (in millions of dollars)*



*Amounts include IBRD and IDA commitments

¹ <https://www.statista.com/statistics/454698/inflation-rate-in-panama/>

² <https://www.worldbank.org/en/country/panama/overview>

Major Industries and Trends



Many of the major industries in Panama surround the universally known Panama Canal. The Canal and the industries that support its operation are some of the most crucial to the Panamanian economy. The services industry in the country provides upwards of 80% of the GDP, while heavy industries provide ~15% and ~2% from agriculture.³ Panama was traditionally known for trade, as its strategic geographic position making the country a hotspot for international maritime trade. The canal was completed in 1914, and quickly became an essential hub for international trade.

Major Cities

Panama City

Panama City the capital and largest city of Panama. It has an urban population of 880,691, with over 1.5 million in its metropolitan area. The city is located at the Pacific entrance of the Panama Canal, in the province of Panama. The city is the political and administrative center of the country, as well as a hub for banking and commerce.⁴

Population: ~880,000
 GDP per capita: \$15,834
 Unemployment rate: 10.06%

As the economic and financial center of the country, Panama City's economy is service based, heavily weighted toward banking, commerce, and tourism. The economy depends significantly on trade and shipping activities associated with the Panama Canal and port facilities located in Balboa. Panama's status as a convergence zone for capital from around the world due to the canal helped the city establish itself as a prime location for offshore banking and tax planning.⁵



³ <https://www.cia.gov/the-world-factbook/countries/panama/#economy>

⁴ <https://www.statista.com/statistics/454686/gross-domestic-product-gdp-per-capita-in-panama/#:~:text=It%20is%20considered%20to%20be,to%20about%2015%2C834.04%20U.S.%20dollars.>

⁵ <http://www.panamatours.com/Facts/Useful%20Facts.htm>

David

David is a city and province in the west of Panama. It is the capital of the province of Chiriquí. It is a relatively affluent city with firmly established, dominant middle class and a very low unemployment and poverty index. The Pan-American Highway is a popular route to David. It is named after King David from the Bible.

Population: ~85,000

GDP per capita: \$16,245

Unemployment rate: N/A



a

The development of the banking sector, public construction works such as the expansion of the airport and the David-Boquete highway has increased its prominence as one of the fastest growing regions in the country. The city is the economic center of the Chiriquí province and produces more than half the gross domestic product of the province, which totals \$2.1 billion. It is known for being the third-largest city in the country both in population and by GDP.⁶⁷

Opportunities for Internships and Co-ops

- [Glass Door](#)
- [Go OverSeas](#)
- [GoAbroad](#)
- [Iagora](#)

Resources for NU Students

[GoinGlobal](#)

GoinGlobal helps new and experienced job seekers find opportunities both at home and abroad. As the market leader in online career and employment resources for more than 16 years, our website has helped millions of new and experienced professionals expand their horizons.

We are committed to providing “grassroots employment intelligence” through our team of local career experts. These globally-minded individuals are in place around the world, personally monitoring and updating the career information and resources that we deliver to you.

⁶ <https://tradingeconomics.com/panama/gdp-per-capita>

⁷ https://en.wikipedia.org/wiki/David,_Chiriqu%C3%AD

GoinGlobal's Internship database features millions of opportunities around the globe—all updated daily. Our proprietary search engine has the unique ability to identify internships that have been posted in the local language, as well as in English. Each internship opportunity lists the position title and description, company name, location and date of posting.

GoinGlobal makes it easy to search for internship positions in the nonprofit and international development fields, as well as opportunities with public and private organizations of every size and focus.

Link: <http://www.goinglobal.com/>

GlobeSmart

With over 25 years of experience, Aperian Global provides organizations with scalable, blended solutions that enable them to conduct business effectively across boundaries. Our consulting, training, and online learning tools help employees at all levels to engage global and local counterparts in a fully inclusive way, bringing out their best ideas while serving as a catalyst for innovative new solutions.

Prepare for trips or relocation abroad with guidance on over 50 cultural business topics, including travel, attitudes towards women, safety, manners and etiquette, and more.

Link: <https://www.globesmart.com/>