



# Regional Economic Outlook

An Assessment of the Region's Economy, 2nd Quarter 2011





## A Quick Look

The regional economy played relatively well this quarter as compared to the same period of CY 2010 where the economy was pegged down due to the effect of the El Niño phenomenon. The agriculture sector once again proved that it is the primary builder of the region's economy. Fishery production this quarter soared 16% or an additional of 2,800 metric tons of fish. High value crops slowed down by the decreased of fruit production although it was cushioned by the increased in the production of legumes, vegetables, root crops and sugarcane.

However, livestock production slowed down during the quarter by an average of 4.79% due to decreasing inventory and limited disposition of stocks as compared last year's 2<sup>nd</sup> quarter when election campaigns were at its peak and the fear of animal heat stroke. Likewise, the increased in chicken production was pulled down by slowed duck production during the quarter.

The outstanding palay and corn production redeemed the region from a possible slump. Palay production gained a 5.81% increase from last year's 561,778 metric tons of same period. Likewise, corn production soared to 367 thousand metric tons to a mere 71 thousand metric tons in 2010 of same quarter.

Loan portfolio and releases from DBP for the quarter improved by 3.33% and 5.58%, respectively. MSMEs shared 29.48% of total releases for the quarter.

Quarry operation of the region also increased by 14% as compared to 2<sup>nd</sup> quarter of 2010. The relatively good weather condition attributed to the increase of demand of quarry materials.

Business Name Registration went down by 39% compared to previous performance in 2010 of same quarter. This was due to the absence of new business projects in the region during the quarter.

Air transportation increased by 35% this quarter. This was attributed to the influx of tourists due to fair weather condition in the region during the quarter. Registered motor vehicles likewise increased by 17%. Single motorcycles dominated the total number of registered motor vehicles in the region.

The region ended this quarter with a 5% increase in the labor force. Employment rate rose by 2% and unemployment rate trimmed down by 37% during the quarter. The gradual improvement of the labor sector is attributed to the good economic performance dueing the 1<sup>st</sup> quarter of 2011.

Inflation, being inevitable rose by 2.02% this quarter from 3.80% in 2010 of the same period. Services posted the sharpest inflation rate from other commodities.

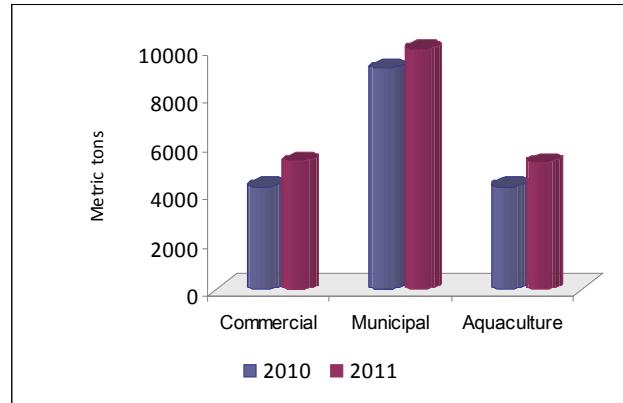
Discussions below further explain the factors or reasons of the present economic situation of the period under review.



# Agriculture and Fishery

## FISHERY

Our region's total fishery production recorded a 16.07% increase, from 17,718.49 metric tons in the second quarter of 2010 to 20,566.66 metric tons this quarter. Commercial fishing also went up by 24.97% with the heavy unloading of Alamang (acetes) and dilis (anchovy species) from 4,263.60 metric tons in the second quarter of 2010 to 5,328.08 metric tons this quarter. The increase is attributed by good weather condition which resulted to more fishing vessels operating in commercial waters.



Likewise, municipal fishing operation also gained positive outcome which increased by 8.56% due to favorable weather condition. This was further complemented by the deployment of fish aggregating devices (payao) within municipal water which increased the fish catch of local fishermen by 7.98%. Inland fishing came along with the trend with 10.30% increase of production compared to last year's 2,304.12 to 2,541.33 metric ton this quarter. This was attributed to the dispersal of about 2,774,945 tilapia and carp fingerlings to 519 hectares communal bodies of water by BFAR Region 02 in the later part of 2010. Dispersal of fishing paraphernalia as livelihood assistance to fisher folks further enhanced their fish production.

Aquaculture operations similarly performed well. For this quarter, an increase of about 23.34% in aquaculture operations was observed as a result of the rehabilitation and fingerlings/fry distribution program of BFAR. The introduction of new technology in aquaculture like upland fish farming also contributed to the increase from 4,276.51 metric tons in the second quarter of 2010 to 5,274.70 metric tons this quarter. Freshwater fishpond increased in production by 39.47%, brackish water fishpond by 28.52% and seaweeds by 22.88%.



# Agriculture and Fishery

## HIGH-VALUE COMMERCIAL CROPS

Fruit products showed slight downtrend this quarter. Banana recorded the highest decline of harvest of about 29.45%, from 181,399 last year of the same quarter to 127,968 metric tons this quarter. Likewise, calamansi, mango, pineapple, coconut and coffee also did not perform well with a decrease of production of 0.60% (from 1877 in 2010 to 1866 this quarter), 21.05% (58,258 to 46,075), 21.99% (18,815 to 14,677), 11.29% (17,966 to 15,939.) and 22.06% (63 to 49), respectively. The decline was caused primarily by the onslaught of Typhoon Juan which inflicted major damages especially for banana production and frequent downpour of rain that affected the flowering stages of fruit-bearing trees.



Vegetables and root crops also performed well except for cabbage which recorded a decrease of production by 2.91%. The decrease can be rooted to the flooding particularly in areas planted with cabbage. Eggplant and tomato on the other hand, increased by 13.99% and 3.56%, respectively during the quarter. The increase can be attributed to the seed assistance from the Department of Agriculture which encourage other farmers to practice backyard planting.

The implementation of the “plant now pay later program” of DA HILLROS facilitated the increase of production particularly garlic and onion by 7.38% and 18.72%, respectively. Garlic production increased by 5 metric tons from 63 in last year’s second quarter. Onion, on the other hand, increased from 768 in 2010 to 912 metric tons this quarter.

Camote and cassava benefitted from the constant rain during their root formation thereby increasing the production by 13.80% and 17.54%, respectively.

Tobacco production played equally good with 16.90% increased from 10,502 metric tons last year of same quarter to 12,277 metric tons this quarter.

Year-on-year production leaped from 2010 to 2011 this quarter. 2010's 2,974 production soared to 9,161% expansion, 130 new planted areas resulted to the increased production 11,233 metric tons of the same quarter last

Sugarcane production had a remarkable increase compared to the second quarter of 2010 which was only 270 metric tons. This quarter, sugarcane reached 44,155 metric tons or a 16,226.45% increase. The increase in area harvested and sufficient soil moisture played a vital role in both crops.



# Agriculture and Fishery

## LIVESTOCK AND POULTRY

Livestock and poultry production showed a downtrend this quarter except for chicken. Large ruminants such as carabao and cattle declined by 7.83% (from 4,697 metric tons in 2010) and 2.18% (from 3,354 metric tons), respectively. Smaller ruminant like goat likewise decreased in production by 5.01% from 439 metric tons in 2010. The downturn was due to the decreasing inventory and limited disposition of stocks.



On poultry production, chicken maintained its demand in the market. Because of this, new farms were established and operational thereby increasing the production by 3.89% from 10,421 metric tons last year.

On the other hand, duck production suffered a significant setback of 20.06% from 703 metric tons last year of same quarter. This was due to the lesser stocks ready for disposal and lower demand over chicken.

## PALAY

The region's primary product, palay, performed well this quarter compared to last year. Region 2 gained an increase of 5.81% from 561, 778 metric tons during the 2<sup>nd</sup> quarter of last year. This was due to the favorable weather condition from reproductive stage to harvesting. Isabela though recorded a decrease in harvest this quarter due to early planting schedule thus, majority of harvesting activities was undertaken in the first quarter of 2011, of which only 54,331 hectares were harvested in the second quarter.



Of the four provinces, Quirino recorded the greatest improvement in terms of production in metric tons, production area and yield per hectare. This can be rooted to the efficiency of irrigation services and increase in coverage area in the province. Rainfed farmland areas totaling to 14,642 hectares that was tilled due to sufficient water supply also contributed to the increase in palay production compared to the 2<sup>nd</sup> quarter of 2010 of only 7,650 hectares of rainfed farmlands.



# Agriculture and Fishery

## **CORN**

Corn production increased phenomenally this quarter of 2011. The overall performance of corn farming soared to 416.04% from 71,240 metric tons of harvest in the 2<sup>nd</sup> quarter of 2010. This quarter's 367,626 metric tons of aggregate harvest for the whole region was attributed to favorable weather condition which provided sufficient water supply required for the crops. In addition, a 195.40% increase in area planted and the use high-yielding GMO corn varieties likewise contributed to the good produce. Isabela remained the top-grosser in terms of production in metric tons and the area planted in the region getting a share of 54.63% and 56.24% respectively. Quirino on the other hand, registered the highest yield of corn with 4.45 metric tons per hectare.



# Industry and Services

## **DBP LOANS**

For this quarter, loan portfolio and loan releases of Development Bank of the Philippines for the region increased by 3.33% and 5.58%, respectively compared to same period last year. Consistent with DBP's mandate to stir-up growth and development of Micro, Small and Medium Enterprises (MSMEs), most of the loan releases were granted to MSMEs engaged in wholesale and retail businesses. A growth rate of 29.48% was recorded for the MSMEs from PhP86.11 Million in 2<sup>nd</sup> quarter of 2010 to PhP111.5 Million this quarter. LGU loans also increased by 4.42% compared to the 2<sup>nd</sup> quarter of 2010.





# Industry and Services

## **QUARRYING**

The region is endowed with a number of river systems with vast quarry materials needed for infrastructure development. For this quarter, quarry operation in the region signified a 14% increase compared to 2<sup>nd</sup> quarter of 2010 with 338,000 cubic meters. The figure was supported by the increase in demand of quarrying materials due to the 75% increase in the construction industry. The good weather condition facilitated many construction works during the quarter. For sand and gravel extraction, Isabela recorded the highest increase with 40% from last year's 92,723 cubic meters. On the other hand, pure sand and earth material extraction was only recorded in Cagayan with an increase of 50% and 40%, respectively. Boulder extraction however, went down by 55% due to decrease in demand for the material.



Related to quarrying, extraction of black sand or magnetite ore has been in operation in selected areas of the Cagayan River and other coastal areas. During the quarter, about 34,000 metric tons of magnetite ore was extracted. Magnetite ore is the primary element in the production of iron-based construction materials. The ore produced is exported to China and Taiwan.

## **INVESTMENTS**

This quarter, the regional performance relative to Business Name Registration slumped. Based on reports from DTI Region 02, a 39% reduction on investment as well as employment was observed during this quarter. Total investment in the region went down dramatically from PhP856.77 million in the 2<sup>nd</sup> quarter of 2010 to PhP522.96 million this quarter. Employment also declined by almost half from 6,227 during the 2<sup>nd</sup> quarter of last year.

Isabela still registered the biggest investment for this quarter with PhP184 Million though has the greatest decline of 159% compared to 2<sup>nd</sup> quarter of 2010 with PhP477 Million. The reduction of investments also resulted to a 64% reduction of employment from last year's 3,282 employed individuals in the province.

Batanes on the other hand, gradually improved economically this quarter. Investment rose by 76% from PhP2.26 Million and employment by 24% from 49 in the 2<sup>nd</sup> quarter of 2010. According to DTI, the absence of new projects registered in the other provinces of the region inflicted the effect.

On sectoral investment, construction showed growth of investment by 75% from PhP39.47 Million in 2<sup>nd</sup> quarter of 2010. Since construction requires manpower, employment had a minimal reduction of 6% from 139 last year of same quarter. Agri-based investment on the other hand, suffered much this year with 96% reduction in investment and 98% reduction in employment.



# Industry and Services

## LAND TRANSPORTATION

This quarter, motor vehicles increased in the region by 17% as compared to 2<sup>nd</sup> quarter of 2010 with 66,125 registered vehicles. Based from the report of Land Transportation Office Region 2, there were 78,359 registered motor vehicles this quarter. The increase was the result of strict law enforcement operations against unregistered vehicles, information campaigns in schools, implementation of Anti-Red

Tape Act, ISO standard of services and automation of all offices. Motorcycles continue to boom in the region with 28.74% increase of registered units (54,898 units) from 42,644 units in 2<sup>nd</sup> quarter of 2010.



The increase could be attributed to the friendly paying schemes of motorcycle dealers. On the other hand, registration of cars, SUV and buses went down to an average of 11%. This was attributed to the preference of buyers for brand new vehicles of these types to purchase in Region 3 or NCR. Also, the implementation of the 3-year registration rule for brand new vehicle triggered the down-trend. Nonetheless, this quarter registered a 4% increase of revenue collection for the whole region. Tuguegarao District Office and Cauayan District Office topped the revenue collection for the quarter with PhP15.7 Million and PhP12.7 Million, respectively.

## AIR TRANSPORTATION

The regions aerospace have been very busy this quarter with 35% increase of flights as compared to 2<sup>nd</sup> quarter last year with 1,389 flights. Passenger's arrival and departure also increased by 19% and 8%, respectively. This was attributed to the influx of foreign and local tourists during the summer season and the return of students from Manila. The operation of more airlines also contributed for the increase. Cargo loading and unloading likewise increased by 78% and 0.85%, respectively. Cauayan Airport remained the busiest airport in the region getting 46% of the total number of flights and Cyclone Airways, Inc. occupied 55% of the total flight for 2<sup>nd</sup> quarter of 2011. Despite sharing only 7% of the total flight in the region, Cebu Pacific remained the prime carrier of passengers in the 2<sup>nd</sup> quarter of 2011 getting 37% and 36% of the total arrivals and departures, respectively. PAL Express only came next to Cebu Pacific with 30% and 31% share of total arrival and departure passengers, respectively.





# Industry and Services

## EMPLOYMENT

There was a relative improvement in the labor sector of the region as indicated in the Labor Force Survey conducted on April 2011. A 1% increase in the household's working-age population (15 years old and over) resulted to a 5% increase in the labor force. Employment increase by 7% or an additional of 100 thousand employed persons as compared to the 1,354,000 in April 2010. Underemployment through, rose by 47% from 160,000 in 2010 of the same period.

As a domino effect, unemployed person dropped by 32% or 50,000 individuals this April 2011 as against the 74,000 individuals in April 2010. Labor force Participation rate went up by 2% compared to 65% LFPR in April 2010. The good performance of the labor sector reflects an economic growth of the region in the 2<sup>nd</sup> quarter of 2011.



## TELECOMMUNICATIONS

On telecommunications, Digital Mobile Philippines, Inc. showed a reduction of operational cellular towers and channels in the region from 32 and 270 in 2<sup>nd</sup> quarter of 2010 to 20 and 1922 this quarter, respectively. Smart and Globe Telecom on the other hand continued to expand their coverage in the region. Smart Telecommunications, Inc. added 4 cell sites and 37 channels while Globe Telecom, Inc. established 17 additional towers but reduced its channels to 368 from 393 in the 2<sup>nd</sup> quarter of 2010. these three big companies also expanded their service offerings thru mobile internets creating greater accessibility of the region.

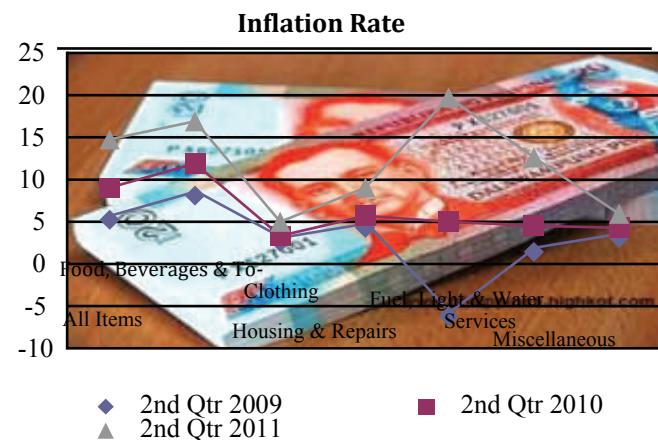




# Industry and Services

## **INFLATION**

Still, inflation proved to be inevitable affecting the purchasing power of consumers. Inflation soared by 2.02% from 3.80% in 2<sup>nd</sup> quarter of 2010 to 5.82% this quarter. Services posted the greatest increase from 3.15 in 2<sup>nd</sup> quarter or a 4.99% difference. This could be due to the beginning of the school year and the increase of school fees. Transportation started to boom for the traveling students in and outside the region. Likewise, Fuel, Light and Water soared by 3.87% this quarter from 3.15% in 2nd quarter of 2010 which is attributed to the increase in demand for electricity and fuel for the transport sector during the summer season. Household services on the other hand, registered the least effect of inflation by only 0.69% from 1.15% in 2010 to 1.83 this year. Food, beverages and tobacco inched by 1.19% from 3.81% in 2nd quarter of 2010. Corn contributed much with 17% increase as compared to last year's 4.05%. In contrast, inflation rates of commodities such as meat, eggs, dairy products and fruits vegetables decreased due to sufficiency of supply in the region during the quarter.



## **PROSPECTS FOR THE NEXT QUARTER**

Following the annual trend, the commercial and municipal sector particularly the marine municipal are expected to have a decrease in production during the 3<sup>rd</sup> quarter due to bad weather condition and onslaught of typhoons, thus lesser fishing operations. However, the high water level during the rainy season is favorable to the stocks of the inland municipal, hence the anticipated high volume of catch. Likewise, aquaculture areas stocked at the end of the 1<sup>st</sup> quarter up to 2<sup>nd</sup> quarter are also expected to be harvested during the next quarter. Barring any major weather disturbance, overall production will gain an increase over last year's performance.

# TABLES

Table 1: Production Estimates (in metric tons) for Fisheries  
By Commodity, Second Quarter 2010 vs. Second Quarter 2011

COMMODITY	CAGAYAN VALLEY		% CHANGE
	2010	2011	
<b>COMMERCIAL</b>	4,263.60	5,328.08	24.97
<b>MUNICIPAL</b>	9,178.38	9,963.88	8.56
<b>Marine</b>	6,874.26	7,422.55	7.98
<b>Inland</b>	2,304.12	2,541.33	10.30
<b>AQUACULTURE</b>	4,276.51	5,274.70	23.34
<b>Cagayan Valley</b>	17,718.49	20,566.66	16.07

Source: BAS RO2

Table 2: Production of High Value Crops in Metric Tons  
By Commodity, Second Quarter 2010 vs. Second Quarter 2011

COMMODITY	Production (mt)		% Change
	2010	2011	
<b>BANANA</b>	181,399	127,968	(29.45)
<b>CALAMANSI</b>	1,877	1,866	(0.60)
<b>MANGO</b>	58,258	46,075	(21.05)
<b>PINEAPPLE</b>	18,815	14,677	(21.99)
<b>MONGO</b>	3,233	9,430	191.66
<b>PEANUT</b>	2,018	2,974	47.41
<b>CABBAGE</b>	445	432	(2.91)
<b>EGGPLANT</b>	6,913	7,881	13.99
<b>TOMATO</b>	6,510	6,742	3.56
<b>GARLIC</b>	63	68	7.38
<b>ONION</b>	768	912	18.72
<b>CAMOTE</b>	3,343	3,804	13.80
<b>CASSAVA</b>	14,786	17,380	17.54
<b>COCONUT</b>	17,966	15,939	(11.29)
<b>COFFEE</b>	63	49	(22.06)
<b>SUGARCANE</b>	270	44,155	16,226.45
<b>TOBACCO</b>	10,502	12,277	16.90

Source: BAS RO2

Table 3: Production of Livestock and Poultry, in Metric Tons  
By Commodity, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

COMMODITY	CAGAYAN VALLEY		% CHANGE
	2010	2011	
CARABAO	4,697	4,329	(7.83)
CATTLE	3,354	3,281	(2.18)
SWINE	17,841	17,104	(4.13)
GOAT	439	417	(5.01)
CHICKEN	10,421	10,826	3.89
DUCK	703	562	(20.06)

Source: BAS RO2

Table 4: Palay Production, in Metric Tons  
By Province, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Province	Irrigated		Rainfed		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	546,937	552,338	14,841	42,098	561,778	594,436	5.81
Cagayan	244,233	251,140	14,841	23,081	259,074	274,221	5.85
Isabela	242,500	218,060	-	16,740	242,500	234,800	(3.18)
Nueva Vizcaya	48,181	55,649	-	300	48,181	55,949	16.12
Quirino	12,023	27,489	-	1,977	12,023	29,466	145.08

Source: BAS RO2

Table 5: Palay Production, in Hectare  
By Province, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Province	Irrigated		Rainfed		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	140,066	124,257	7,650	14,642	147,716	138,899	(5.97)
Cagayan	53,191	56,045	7,650	8,005	60,641	64,050	5.27
Isabela	70,759	48,509	-	5,822	70,759	54,331	(23.22)
Nueva Vizcaya	12,182	13,072	-	100	12,182	13,172	8.13
Quirino	3,934	6,631	-	715	3,934	7,346	86.73

Source: BAS RO2

Table 6: Palay Production, in MT/Ha  
By Province, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Province	Irrigated		Rainfed		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	3.90	4.45	1.94	2.88	3.80	4.28	0.48
Cagayan	4.59	4.48	1.94	2.88	4.26	4.28	0.02
Isabela	3.43	4.50		2.88	3.43	4.32	0.89
Nueva Vizcaya	3.96	4.26		3.00	3.96	4.25	0.29
Quirino	3.06	4.15		2.77	3.06	4.01	0.95

Source: BAS RO2

Table 7: Corn Production, in Metric Ton  
By Province, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Province	White		Yellow		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	3,431	8,862	67,809	358,764	71,240	367,626	416.04
Cagayan	692	3,804	24,312	101,688	25,004	105,492	321.90
Isabela	2,519	4,498	33,121	196,326	35,640	200,824	463.48
Nueva Vizcaya	220	550	76	5,237	296	5,797	1,858.45
Quirino	-	-	10,300	55,513	10,300	55,513	438.96

Source: BAS RO2

Table 8: Corn Production, in Hectares  
By Province, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Province	White		Yellow		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	1,691	3,597	28,360	85,174	30,051	88,771	195.40
Cagayan	432	1,661	10,663	23,268	11,095	24,929	124.69
Isabela	1,159	1,736	11,878	48,190	13,037	49,926	282.96
Nueva Vizcaya	100	200	97	1,241	197	1,441	631.47
Quirino	-	-	5,722	12,475	5,722	12,475	118.02

Source: BAS RO2

Table 9: Corn Production, in MT/Ha  
By Province, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Province	White		Yellow		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	2.03	2.46	2.39	4.21	2.37	4.14	1.77
Cagayan	1.60	2.29	2.28	4.37	2.25	4.23	1.98
Isabela	2.17	2.59	2.79	4.07	2.73	4.02	1.29
Nueva Vizcaya	2.20	2.80	0.78	4.22	1.50	4.02	2.52
Quirino			1.80	4.45	1.80	4.45	2.65

Source: BAS RO2

Table 10: Labor Force, Employment and Underemployment  
Region 2: April Labor Force Survey (in thousands)  
CY 2010 vs. CY 2011

Indicator	April 2010	April 2011 <sup>p</sup>	Difference	% Change
HH Population 15 years and over	2,207	2,233	26	1%
Labor Force	1,427	1,503	76	5%
Employed	1,354	1,454	100	7%
Underemployed	160	235	75	47%
Unemployed	74	50	(24)	-32%
LFPR (%)	65	67	3	4%
Employment Rate (%)	95	97	2	2%
Underemployment Rate (%)	12	16	4	37%
Unemployment Rate (%)	5	3	(2)	-37%

Source: BAS RO2

Notes: P-preliminary

Table 11: DBP Outstanding Loans, by Purpose (absolute amounts)  
2<sup>nd</sup> Quarter 2010 and 2<sup>nd</sup> Quarter 2011

Loan Purpose	2 <sup>nd</sup> Quarter 2010		2 <sup>nd</sup> Quarter 2011		Growth Rate (%)
	O/S Balance	% Share	O/S Balance	% Share	
<b>AGRI/ AGRA LOANS</b>					
SME's	86,114,469.52	6.70%	111,498,644.03	8.39%	29.48%
LGU Loans	0.00	0.00%	0.00	0.00%	0.00%
Small Farmers & Fisherfolks	6,748,507.27	0.52%	6,410,696.11	0.48%	-5.01%
Livelihood Loans	0.00	0.00%	0.00	0.00%	0.00%
<b>Sub-Total</b>	<b>92,862,976.79</b>	<b>7.22%</b>	<b>117,909,340.14</b>	<b>8.87%</b>	<b>26.97%</b>
<b>NON-AGRI/ AGRA LOANS</b>					
LGU Loans	536,417,743.85	41.71%	560,108,696.88	42.15%	4.42%
GOCC's	29,127,598.60	2.26%	27,186,003.98	2.05%	-6.67%
Others	627,624,602.84	48.80%	623,660,947.51	46.93%	-0.63%
<b>Sub-Total</b>	<b>1,193,169,945.29</b>	<b>92.78%</b>	<b>1,210,955,648.37</b>	<b>91.13%</b>	<b>1.49%</b>
<b>REGION TOTAL</b>	<b>1,286,032,922.08</b>	<b>100%</b>	<b>1,328,864,988.51</b>	<b>100%</b>	<b>3.33%</b>

Source: DBP RMC-NE Luzon

Table 12: DBP Outstanding Loans, by Province (absolute amounts)  
2<sup>nd</sup> Quarter 2010 and 2<sup>nd</sup> Quarter 2011

Loan Purpose	2 <sup>nd</sup> Quarter 2010		2 <sup>nd</sup> Quarter 2011		Growth Rate
	O/S Balance	% Share	O/S Balance	% Share	
Batanes	0.00	0.00%	0.00	0.00%	0.00%
Cagayan	560,790,632.67	43.61%	588,924,237.73	44.32%	5.02%
Quirino	0.00	0.00%	0.00	0.00%	0.00%
Isabela	619,032,433.83	48.14%	612,771,398.68	46.11%	-1.01%
Nueva Vizcaya	106,209,855.58	8.26%	127,169,352.10	9.57%	19.73%
<b>TOTAL</b>	<b>1,286,032,922.58</b>	<b>100.00%</b>	<b>1,328,864,988.51</b>	<b>100.00%</b>	<b>3.33%</b>

Source: DBP RMC-NE Luzon

Table 13: DBP Outstanding Loans, by Economic Activity (absolute amounts)  
2<sup>nd</sup> Quarter 2010 and 2<sup>nd</sup> Quarter 2011

Loan Purpose	2 <sup>nd</sup> Quarter 2010		2 <sup>nd</sup> Quarter 2011		Growth Rate (%)
	RELEASES	% Share	RELEASES	% Share	
Agriculture	33,600,000.00	43.43%	7,750,000.00	9.49%	-76.93%
Fishing	0.00	0.00%	500,000.00	0.61%	100.00%
Manufacturing	0.00	0.00%	500,000.00	0.61%	100.00%
Electricity, Gas and Water	15,000,000.00	19.39%	0.00	0.00%	100.00%
Wholesale and Retail Trade	8,140,190.00	10.52%	23,750,000.00	29.07%	191.76%
Public Administration and Defense	5,537,560.00	7.16%	8,667,870.00	10.61%	56.53%
Education	2,650,000.00	3.42%	0.00	0.00%	100.00%
Other Community, Social & Personal Service Activities	9,445,600.00	12.31%	39,225,200.00	48.02%	315.27%
Hotel and Restaurants	3,000,000.00	3.88%	1,300,000.00	1.59%	-56.67%
<b>TOTAL RELEASES</b>	<b>77,373,350.00</b>	<b>100.00%</b>	<b>81,693,070.50</b>	<b>100.00%</b>	<b>5.58%</b>

Source: DBP RMC-NE Luzon

Table 14: Production of Metallic and Non-metallic Minerals  
Region 2: 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Commodity	Production (cu.m.)		% Change
	2010	2011	
<b>Sand and Gravel</b>	<b>338,028.10</b>	<b>409,286.10</b>	<b>14.00%</b>
<b>Cagayan</b>	102,536.10	125,570.10	22.46%
• <b>Isabela</b>	92,723.00	129,744.00	39.93%
• <b>Nueva Vizcaya</b>	143,302.00	138,622.00	-3.27%
• <b>Quirino</b>	20,467.00	15,350.00	-25.00%
<b>Pure Sand</b>			
• <b>Cagayan</b>	7,000.08	10,523.41	50.33%
<b>Boulders</b>	<b>74,067.50</b>	<b>33,293.50</b>	<b>-55.05%</b>
• <b>Cagayan</b>	63,946.00	25,619.00	-59.94%
• <b>N. Vizcaya</b>	10,121.50	7,674.50	-24.18%
<b>Earth Material</b>			
• <b>Cagayan</b>	1,000	1,400	40.00%
<b>Magnetite</b>			
• <b>Cagayan</b>		34,000 mt	

Source: MGB RO2

Table 15: Investment and Employment Generated thru Business Name Registration  
 2<sup>nd</sup> Quarter 2010 and 2<sup>nd</sup> Quarter 2011 (Comparative)  
 Region 2, By Province

Province	Investments		% Change	Employment		% Change
	2 <sup>nd</sup> Quarter 2010	2 <sup>nd</sup> Quarter 2011		2 <sup>nd</sup> Quarter 2010	2 <sup>nd</sup> Quarter 2011	
<b>Batanes</b>	2,255,000	9,270,000	76%	49	61	24%
<b>Cagayan</b>	262,817,263	163,400,000	-61%	1,877	1,605	-14%
<b>Isabela*</b>	477,877,997	184,290,549	-159%	3,282	1,182	-64%
<b>Quirino</b>	36,684,222	66,379,000	45%	282	227	-20%
<b>Nueva Vizcaya</b>	77,139,300	99,627,000	23%	737	714	-3%
<b>Total</b>	<b>856,773,782</b>	<b>522,966,549</b>	<b>-39%</b>	<b>6,227</b>	<b>3,789</b>	<b>-39%</b>

Source: DTI RO2

Table 16: Investment and Employment Generated thru Business Name Registration  
 2<sup>nd</sup> Quarter 2010 and 2<sup>nd</sup> Quarter 2011 (Comparative)  
 Region 2, By Sector

Sector	Investments		% Change	Employment		% Change
	2 <sup>nd</sup> Quarter 2010	2 <sup>nd</sup> Quarter 2011		2 <sup>nd</sup> Quarter 2010	2 <sup>nd</sup> Quarter 2011	
<b>Manufacturing</b>	54,651,000	34,974,700	-36%	531	347	-35%
<b>Agri-Based</b>	53,269,870	2,000,000	-96%	204	4	-98%
<b>Construction</b>	39,476,097	69,255,971	75%	139	130	-6%
<b>Trading</b>	359,150,890	226,490,178	-37%	3,016	1,804	-40%
<b>Services</b>	350,225,925	190,245,700	-46%	2,337	1,504	-36%
<b>Total</b>	<b>856,773,782</b>	<b>522,966,549</b>	<b>-39</b>	<b>6,227</b>	<b>3,789</b>	<b>-39%</b>

Source: DTI RO2

\*Note: Investment/Employment Report of Isabela is for district 1-3 only, district 4 (STGO Satellite office report) not yet included

Table 17: Number of Cell Sites and Total Channels  
 Region 2: 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

PROVINCE	COMPANY/ SERVICE PROVIDER											
	Digitel Mobile Philippines Inc. (Sun Cellular)				Smart Communications, Inc.				Globe Telecom, Inc.			
	Cell Sites		Channels		Cell Sites		Channels		Cell Sites		Channels	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
<b>Batanes</b>	0	0	0	0	2	6	15	44	4	0	19	0
<b>Cagayan</b>	10	2	90	12	16	21	91	162	25	24	222	165
<b>Isabela</b>	10	12	90	122	17	17	136	145	15	20	119	162
<b>N. Vizcaya</b>	9	6	66	58	8	6	53	5	4	20	24	32
<b>Quirino</b>	3	0	24	0	3	0	24	0	1	2	9	9
<b>Total</b>	32	20	270	192	46	50	319	356	49	66	393	368

Source: National Telecommunications Commission – Region 02

Table 18: Number of Motor Vehicles Registered by Type  
 Region 02, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

Year	TYPE OF VEHICLE							Total
	Cars	Utility Vehicle	SUV	Trucks	Buses	MC/TC	Trailers	
<b>2010</b>	3,253	14,357	1,432	4,335	328	42,644	576	66,925
<b>2011</b>	2,753	14,010	1,257	4,533	284	54,898	624	78,359
<b>Difference</b>	(500)	(347)	(175)	198	(44)	12,254	48	11,434
<b>% Change</b>	-15.37%	-2.42%	-12.42%	4.57%	-13.41%	28.74%	8.33%	17.08%

Source: Land Transportation Office RO2

Table 19: Number of Motor Vehicles Registered by District/ Extension Office Region 02, 2<sup>nd</sup> Quarter 2010 vs. 2<sup>nd</sup> Quarter 2011

District Extension Office	2 <sup>nd</sup> Quarter 2011	2 <sup>nd</sup> Quarter 2010	Inc./ Dec.	% Change
Aparri District Office	7,932	6,192	1,740	28%
Aritao Ext. Office	2,705	704	2,001	284%
Basco District Office	737	706	31	4%
Bayombong District Office	7,688	7,943	(255)	-3%
Cabagan Ext. Office	5,296	2,157	3,139	146%
Cabarroguis District Office	1,670	1,590	80	5%
Cauayan Ext. Office	8,673	7,003	1,670	24%
Gattaran Ext. Office	3,391	1,404	1,987	142%
Ilagan District Office	3,072	3,485	(413)	-12%
Tuao Ext. Office	2,203	1,782	421	24%
Roxas District Office	6,250	9,341	(3,091)	-33%
Sanchez Mira Ext. Office	2,611	2,203	408	19%
San Isidro District Office	6,605	5,504	1,101	20%
Santiago Ext. Office	7,345	5,499	1,846	34%
Tuguegarao District Office	12,181	11,412	769	7%
<b>Total</b>	<b>78,359</b>	<b>66,925</b>	<b>11,434</b>	<b>17%</b>

Source: Land Transportation Office RO2

Table 20: Number of Flights & Volume of Passengers and Cargo Movement Region 2: 2<sup>nd</sup> Quarter 2010 vs 2<sup>nd</sup> Quarter 2011

Ariport	No of Flights		Passenger		Passenger		Cargo (kg)		Cargo (kg)	
			2010		2011		2010		2011	
	2010	2011	ARR	DEP	ARR	DEP	Load	Unload	Load	Unload
Tuguegarao Airport	447	437	14,274	14,718	16,267	15,901	179,659	148,996	406,440	160,304
Basco Airport	386	515	3,007	4,219	5,831	5,828	54,556	49,783	66,924	59,443
Bagabag Airport	16	60	32	16	110	113	-	-	-	-
Cauayan Airport	540	864	4,344	4,563	3,584	3,518	54,130.91	53,657.1	40,517	34,826
<b>TOTAL</b>	<b>1,389</b>	<b>1,876</b>	<b>21,657</b>	<b>23,516</b>	<b>25,792</b>	<b>25,360</b>	<b>288,346</b>	<b>252,436</b>	<b>513,881</b>	<b>254,573</b>

Source: Civil Aviation Office, Laoag City

Table 21: Consumer Price Indices and Inflation  
 Region 2: Average 2<sup>nd</sup> Quarter 2010 vs 2<sup>nd</sup> Quarter 2011

COMMODITY GROUP	CONSUMER PRICE INDICES			INFLATION	
	Q2 2011 Ave.	Q2 2010 Ave.	Q2 2009 Ave.	2nd Qtr 2011	2nd Qtr 2010
<b>All Items</b>	<b>171.63</b>	<b>162.20</b>	<b>156.27</b>	<b>5.82%</b>	<b>3.80%</b>
<b>I. Food, Beverages and Tobacco</b>	<b>176.57</b>	<b>168.17</b>	<b>162.00</b>	<b>5.00%</b>	<b>3.81%</b>
Food	178.53	170.07	163.53	4.98%	4.00%
<b>Cereal and Cereal Preparations</b>	<b>186.30</b>	<b>176.57</b>	<b>179.23</b>	<b>5.51%</b>	<b>-1.49%</b>
Cereals	190.50	184.63	184.87	3.18%	-0.13%
Rice	190.97	186.27	186.77	2.62%	-0.27%
Corn	180.37	148.90	143.10	21.13%	4.05%
Cereal Preparations	169.73	160.00	157.17	6.08%	1.80%
Dairy Products	191.43	187.40	182.47	2.15%	2.70%
Eggs	163.10	159.07	152.07	2.54%	4.60%
Fish	176.27	162.87	153.40	8.23%	6.17%
Fruits and Vegetables	164.33	155.20	146.00	5.88%	6.30%
Meat	163.37	162.67	153.60	0.43%	5.90%
Miscellaneous Foods	194.27	176.73	166.77	9.92%	5.98%
Beverages	156.53	152.23	151.47	2.82%	0.51%
Tobacco	144.77	133.67	129.13	8.30%	3.51%
Non-Food	164.33	153.40	147.77	7.13%	3.81%
<b>II. Clothing</b>	<b>128.63</b>	<b>126.47</b>	<b>125.63%</b>	<b>1.71%</b>	<b>0.66%</b>
Footwear	135.17	133.60	132.00	1.17%	1.21%
Ready-Made Apparel	126.13	123.77	123.23	1.91%	0.43%
Custom Clothes	131.20	127.40	126.37	2.98%	0.82%
<b>III. Housing and Repairs</b>	<b>139.67</b>	<b>135.13</b>	<b>133.33</b>	<b>3.35%</b>	<b>1.35%</b>
Minor Repairs	155.70	151.23	147.64	2.95%	2.42%
Rentals	139.97	133.40	131.80	3.42%	1.21%

*See Continuation to Page 20....*

COMMODITY GROUP	CONSUMER PRICE INDICES			INFLATION	
	Q2 2011 Ave.	Q2 2010 Ave.	Q2 2009 Ave.	2nd Qtr 2011	2nd Qtr 2010
<b>IV. Fuel, Light and Water</b>	<b>233.13</b>	<b>202.80</b>	<b>182.57</b>	<b>14.96%</b>	<b>11.08%</b>
Fuel	260.40	230.17	191.90	13.14%	19.94%
Light	204.30	171.70	171.37	18.99%	0.19%
Water	174.50	174.40	181.20	0.06%	-3.75%
<b>V. Services</b>	<b>181.53</b>	<b>167.87</b>	<b>162.73</b>	<b>8.14%</b>	<b>3.15%</b>
Educational	180.17	177.00	173.57	1.79%	1.98%
Medical	143.97	139.13	137.67	3.47%	1.07%
Personal	141.77	136.73	136.33	3.68%	0.29%
Recreational	109.53	109.80	110.00	-0.24%	-0.18%
<b>Transportation and Communication</b>	<b>220.33</b>	<b>190.67</b>	<b>180.53</b>	<b>15.56%</b>	<b>5.61%</b>
Other Services					
<b>VI. Miscellaneous</b>	<b>125.83</b>	<b>123.57</b>	<b>122.17</b>	<b>1.83%</b>	<b>1.15%</b>
Household Furnishing and Equipment	113.43	112.10	111.70	1.19%	0.36%
Household Operations	137.27	134.60	130.80	1.98%	2.91%
Personal Care and Effects	125.67	122.77	121.80	2.36%	0.79%
<b>Other Miscellaneous Items</b>	<b>126.30</b>	<b>126.30</b>	<b>126.30</b>	<b>0.00%</b>	<b>0.00%</b>

Source: National Statistics Office RO2



Republic of the Philippines

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