

CY 2015 Third Quarter Regional Economic Situationer



Cagayan Valley

This year's third quarter showed indications of growth in the regional economy due to strong macroeconomic performance, i.e. stable inflation rate at 1.5 percent and increased employment rate to 96.6 percent from last year's 96.0 percent.

The significant decline of 42.6 percent in the palay production dampened the overall performance of the agriculture sector. Typhoon Ineng and El Nino, which further intensified in the third quarter, have influenced the production loss in palay. The intense heat caused the low water level in Magat Dam which then resulted to the delayed release of irrigation water. Similarly, the fishery sector saw an output decline of 9.1 percent, ascribed to the closed season of acetes catching in Aparri, Cagayan, low water levels in commercial bodies of water, and limited supply of fingerlings. In contrast, corn, the region's other prime commodity, recorded a moderate increment of 5.5 percent attributed to the substantial expansion of harvest areas in Isabela and Quirino brought about by the movement of harvest from fourth quarter to third quarter in said provinces. Other crops likewise posted gains led by vegetable and root crops with 41.7 percent, followed by industrial and commercial crops with 5.2 percent, and fruits with 4.8 percent.

On the other hand, Industry and Services sectors exhibited mixed performances during the period. Investments generated from DTI's Business Name Registration went down by 20.9 percent, following the huge investment recorded last year in Quirino. Nonetheless, number of firms registered still increased to 2,931 (from 2,496) indicative of increased participation of the MSME sector. Construction projects also dropped by 12.2 percent to 754 projects due to the slow down of construction activities during the rainy season. and the anticipated rainy season. Consequently, mineral and quarry production also dropped ascribed to the reduced demand from construction. Indicators that showed positive performances were aircraft movement (+5.7%), passenger movement (25.2%), cargo movement (31.8%) and credit availment (25.1%).

Crime situation also showed improvement as number of crime incidence considerably declined to 3,618 from last year's 5,342 incidences.

The following sections include a more in-depth discussion of these performance levels.

A GLANCE AT CAGAYAN VALLEY'S ECONOMY DURING THE THIRD QUARTER OF CY 2015

Macroeconomy

- ◇ Inflation rate at 1.5%
- ◇ Employment rate at 96.6%
- ◇ Unemployment rate at 3.4%
- ◇ Underemployment rate at 12.5%

Agriculture and Fishery Sector

- ◇ Palay production down by 42.6%
- ◇ Corn production up by 5.5%
- ◇ Fruit production up by 4.8%
- ◇ Vegetable and root crop production up by 41.7%
- ◇ Non-food and industrial commercial crops production up by 5.2%
- ◇ Livestock production up by 0.4%
- ◇ Poultry production up by 2.3%
- ◇ Fishery production down by 9.1%

Industry and Services Sector

- ◇ BNR investments down by 20.9%
- ◇ Aircraft movement up by 5.7%
- ◇ Crime incidence down by 32.3%
- ◇ New construction projects down by 12.2%

MACROECONOMY

Inflation

The regional average inflation rate during the third quarter of this year eased to 1.5 percent from last year's 4.5 percent. The marked slowdown was mainly brought about by the generally slower inflation rate of most food commodities. Nevertheless, the region's inflation was higher by 0.9 percentage points compared to the national inflation rate of 0.6%.

Overall food inflation decelerated to 1.7 percent from 7.3 percent last year. Price index of rice, which surged to 13 percent last year due to supply shortage, slowed down to 2.1 percent this year as rice stock inventory was adequate for the period. Vegetables index declined to a negative rate of 1.8%, significantly easing the recorded 11.8% inflation last year ascribed to the spike in prices of spices such as garlic and ginger. Other commodities which registered slower annual hikes were Oils and Fats (from 12.% to -0.1%), Sugar, Jam, Honey, Chocolate and Confectionery (from 10.0% to 4.6%), and Meat (from 3.4% to -0.8%).

In general, non-food index continued to decelerate to 0.8 percent from last year's 1.9 percent. Main contributor to the slow down was Housing, Water, Electricity, Gas and Other Fuels which recorded a year-on-year inflation of -0.2 percent from 3.3 percent ascribed to the lower rates of fuel prices in the world market affecting the domestic price.

Price index of the other commodity groups were relatively stable with only slight annual increments during the quarter. The biggest gain, however, was posted by Alcoholic Beverages and Tobacco at 7.8 percent, 5 percentage points up from last year as a result of the continuing implementation of the sin tax law which started in January 2013.

**Table 1. Inflation Rate by Commodity Group
(2006 Base Year), Region 2
Third Quarter, CY 2014 and CY 2015**

Commodity Group	3rd Qtr. 2014	3rd Qtr. 2015
All Items	4.5	1.5
I. Food and Non-Alcoholic Beverages	7.0	1.9
Food	7.3	1.7
Rice	13.0	2.1
Corn	2.2	2.0
Meat	3.4	-0.8
Fish	3.5	4.4
Milk, Cheese and Eggs	2.6	3.6
Oils and Fats	12.1	-0.1
Fruits	3.1	7.2
Vegetables	11.8	-1.8
Sugar, Jam, Honey, Chocolate and	10.0	4.6
Food Products N.E.C	7.6	5.9
Non-Alcoholic Beverages	0.6	3.0
II. Alcoholic Beverages and Tobacco	3.8	7.8
III. Non-Food	1.9	0.8
Clothing and Footwear	1.0	2.5
Housing, Water, Electricity, Gas, and Other Fuels	3.3	-0.2
Furnishings, Household Equipment and Routine Maintenance of the House	1.3	1.3
Health	1.4	1.9
Transport	0.9	0.9
Communication	0.0	-1.3
Recreation and Culture	0.7	0.4
Education	1.1	1.4
Restaurants and Miscellaneous Goods and	1.1	1.6

Source: PSA RO2

Employment

The results of the July 2015 Labor Force Survey of the Philippine Statistics Authority revealed an improved employment situation in Region 2. Employed persons in the third quarter (July) reached 1.482 million, representing a net employment generation of 12 thousand compared to same period a year ago. Consequently, employment rate improved to 96.6 percent relative to the registered 96.0 percent last year.

The increase in the employed population for the period was attributed to more employment opportunities created along the MSME, tourism, wholesale and retail trade, and agriculture sectors. Furthermore, the persistent efforts of the various agencies in providing decent and productive employment opportunities and their strengthened campaign to attract more investors in the region have contributed to the gains observed in the employment situation of the region.

On a negative note, underemployment rate increased to 12.5 percent, which was 0.7 percentage points higher than the 11.8 percent a year ago. In absolute terms, the number of underemployed, defined as those employed population who expressed desire to have additional work hours in their present job or to have an additional job, or a new job with longer working hours, increased to 185 thousand, around 12 thousand more than the figure last year. The agriculture sector contributed to this increase as the prolonged dry spell and drought conditions experienced across the region resulted to less work opportunities for farmers and farm laborers.

Table 2. Selected Employment Indicators, Region 2, Third Quarter, CY 2014 and CY 2015

	July 2014	July 2015
Working age population (in '000)	2,310	2,335
Labor force population (in '000)	1,531	1,534
Labor Force Participation Rate (%)	66.3%	65.7%
Employed (in '000)	1,470	1,482
Employment Rate (%)	96.0%	96.6%
Unemployed (in '000)	61	53
Unemployment Rate (%)	4.0%	3.4%
Underemployed (in '000)	173	185
Underemployment Rate (%)	11.8%	12.5%

Source: PSA RO2, July Labor Force Survey

AGRICULTURE AND FISHERY

Palay

Total production of palay in Region 2 during the third quarter of 2015 was at 204,305 metric tons (MT), sharing 8.01 percent to the national production. During the period, the region ranked fourth top palay-producing region, next to Western Visayas (22.4%), SOCCSKSARGEN (15.4%) and Bicol Region (8.04%).

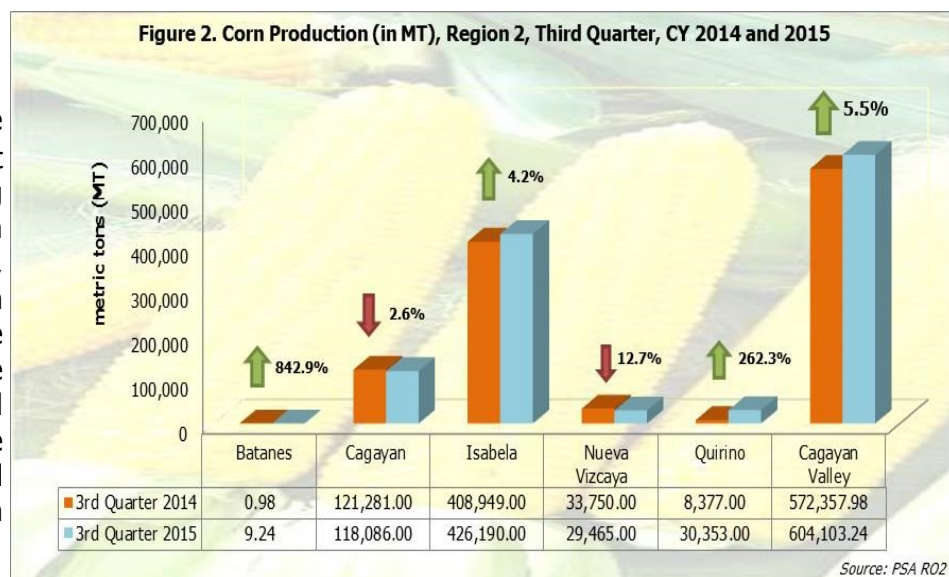
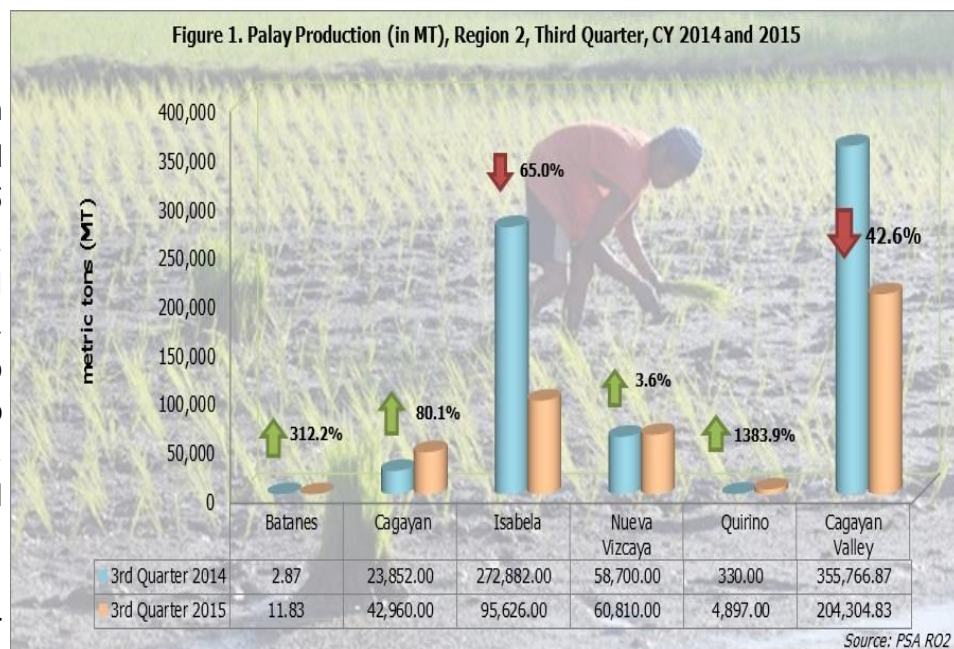
Output for the quarter significantly declined by 42.57

percent following the reduction in both area harvested and yield. Average yield decreased to 4.62 MT/ha., or about 2 percent less compared to last year (4.71 MT/ha.). The strong El Nino phenomenon characterized by reduced rainfall and intense heat, which was already experienced during the third quarter, has affected palay productivity. Further production loss is anticipated in the succeeding quarters as the El Nino is expected to persist until the first semester of next year.

Mostly contributing to the production loss during the reference quarter was the contraction of area harvested to 44,268 hectares, nearly half of the 75,515 has. area harvested the previous year. This reduction was due to the delayed release of irrigation water which resulted to delayed plantings. Moreover, some rainfed areas were left in fallow caused by the insufficient rainfall during planting time. Some production areas were likewise damaged by typhoons Egay and Ineng.

Corn

In contrast to the performance of palay, corn saw a modest improvement in output during the quarter. Gross corn produced stood at 604,103 MT, surpassing last year's production level by 5.55 percent. The region still accounted for the biggest share of the national output during the period. Of the 2.41 million MT corn produced in the country, about one-fourth came from Region 2.



Average yield for the quarter moderately declined to 3.97 MT/ha from the yield same period last year at 4.28 MT/ha. This was a consequence of the dry spell experienced during reproductive stage in major producing provinces of the region. Further adding to the yield loss was the damage caused by typhoon Ineng in August.

The loss in productivity was negated by the 13.68 percent increase in area harvested (to 151,978 hectares). In particular, the provinces of Quirino and Isabela posted substantial expansions of 443.06 percent and 11.15 percent, respectively, as a result of movement of harvest from fourth quarter to third quarter due to early plantings triggered by the early occurrence of rainfall in the said provinces.

Other Crops

Other crops' performance during the period in review was generally on the uptrend, showing some resiliency despite the strong El Niño affecting the region.

During the third quarter, total fruit production improved to 126,292 MT, posting an annual growth rate of 4.82 percent. The increase can be traced to the better production performance of major fruits such as pineapple, calamansi and banana due to the less weather disturbance during flowering to fruiting stage and bigger fruits developed.

Vegetable and root crops production surged to 100,969 MT during the quarter, reflecting a substantial increment of 41.67 percent from year ago's output level of 71,273 MT. Most commodities classified under major crops (Table 3) posted improved performances led by cassava. Production of cassava, which made up about 70 percent of the total production, grew by 71.7 percent ascribed to the expansion of production areas in Isabela and Quirino brought about by the sustained demand from feed millers. Mongo also registered a 9.29 percent gain from last year as availability of seeds in Cagayan led to the increase in area harvested. The continuous seedling distribution of DA and local government units resulted to the output increments of eggplant (5.69%) and tomato (1.32%).

Table 3. Production Estimates for Other Crops Region 2, Third Quarter, CY 2014 and CY 2015

Commodity	3rd Quarter 2014	3rd Quarter 2015
Fruits	120,487.89	126,292.42
<i>Major</i>	<i>106,718.22</i>	<i>112,471.49</i>
Banana	92,974.59	96,680.31
Calamansi	1,751.31	1,852.33
Mango	288.27	264.38
Pineapple	11,704.05	13,674.47
<i>Priority*</i>	<i>3,070.07</i>	<i>3,061.16</i>
<i>Others</i>	<i>10,699.60</i>	<i>10,759.77</i>
Vegetables and Root Crops	71,272.81	100,969.17
<i>Major</i>	<i>48,913.21</i>	<i>78,977.77</i>
Mongo	437.74	478.41
Peanut	623.37	579.77
Cabbage	226.16	218.65
Eggplant	4,385.01	4,634.38
Tomato	950.36	962.91
Garlic	-	-
Onion	18.41	17.26
Camote	649.98	615.70
Cassava	41,622.18	71,470.69
<i>Priority*</i>	<i>18,981.82</i>	<i>18,805.59</i>
<i>Others</i>	<i>3,377.78</i>	<i>3,185.81</i>

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Note: * Please see Annex: Table 9 for the production estimates of crops included in the Priority subgroups

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Continuation

Non-food and industrial commercial (NFIC) crops production aggregated to 127,706 MT, exceeding the previous year's output of 121,346 MT by 5.24 percent. The hike in the output major crops coconut (4.82%) and sugarcane (10.79%) was able to offset the 31.83 percent decline in the overall production of priority NFIC crops. Coconut's production during the period improved due to lesser weather disturbance, thus, the increase in productivity. Growth in sugarcane output was ascribed to the increase in area harvested. The decline in the priority group was mainly due to rice hay reduced production (down by 34.31 %) which resulted from the delayed harvest of palay, and subsequently rice hay.

**Table 3. Production Estimates for Other Crops
Region 2, Third Quarter, CY 2014 and CY 2015**

Commodity	3rd Quarter 2014	3rd Quarter 2015
Non-Food and Industrial Commercial (NFIC) Crops	121,346.08	127,706.34
<i>Major</i>	<i>107,095.61</i>	<i>117,517.39</i>
Coconut with husk	18,996.63	19,911.93
Coffee (dried beans with pulp)	-	-
Sugarcane (cane)	88,098.98	97,605.46
Tobacco (dried leaves)	-	-
<i>Priority</i>	<i>12,756.27</i>	<i>8,695.75</i>
<i>Others</i>	<i>1,494.20</i>	<i>1,493.20</i>

Note: * Please see Annex: Table 9 for the production estimates of crops included in the Priority subgroup

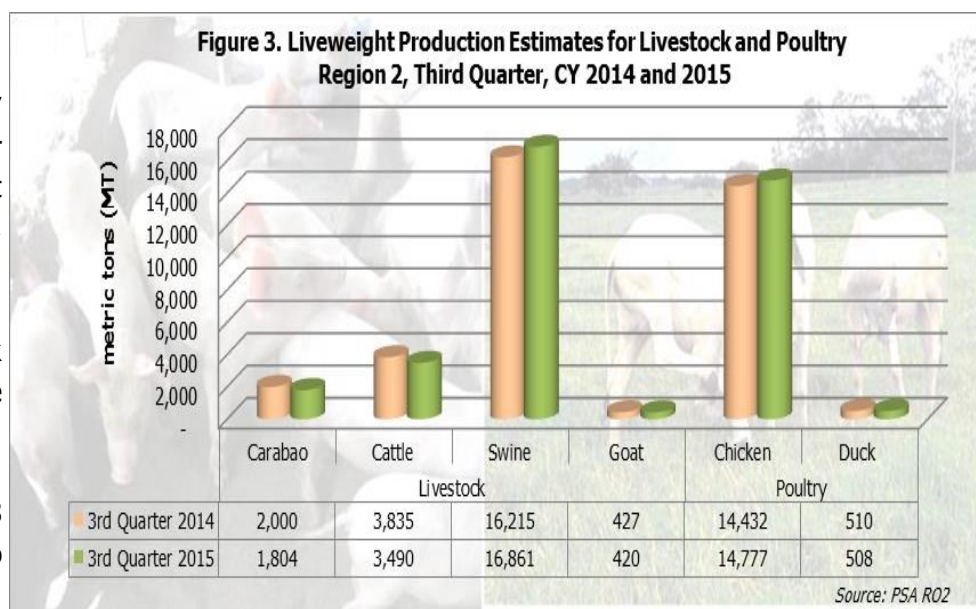
Livestock and Poultry

Livestock and poultry production in the third quarter of 2015 recorded 0.4 percent and 2.3 percent increments, respectively.

Among the livestock commodities, swine was the lone gainer during the period. Swine production reached 16,861 MT which was 3.98 percent higher compared to year ago's 16,215 MT output. The increase was attributed to

more fatteners available and the increased demand for pork. Pulling down the increase recorded by swine were the production cut of cattle, carabao and goat. Carabao and cattle production this quarter declined by 9.8 percent and 8.98 percent, respectively, due to limited stocks for slaughter and reduced demand as consumers shift to pork. Goat output went down by 1.64 percent to 420 MT ascribed to less demand.

On poultry, live weight production of chicken went up by 2.39 percent vis-à-vis last year's 14,432 MT output. The resumption of operation of two commercial farms in Nueva Vizcaya, bigger sizes disposed in Cagayan and culling in one commercial farm in Batanes led to the increase. On the other hand, duck production slightly dipped by 0.38 percent over last year due to decreasing stocks for slaughter.



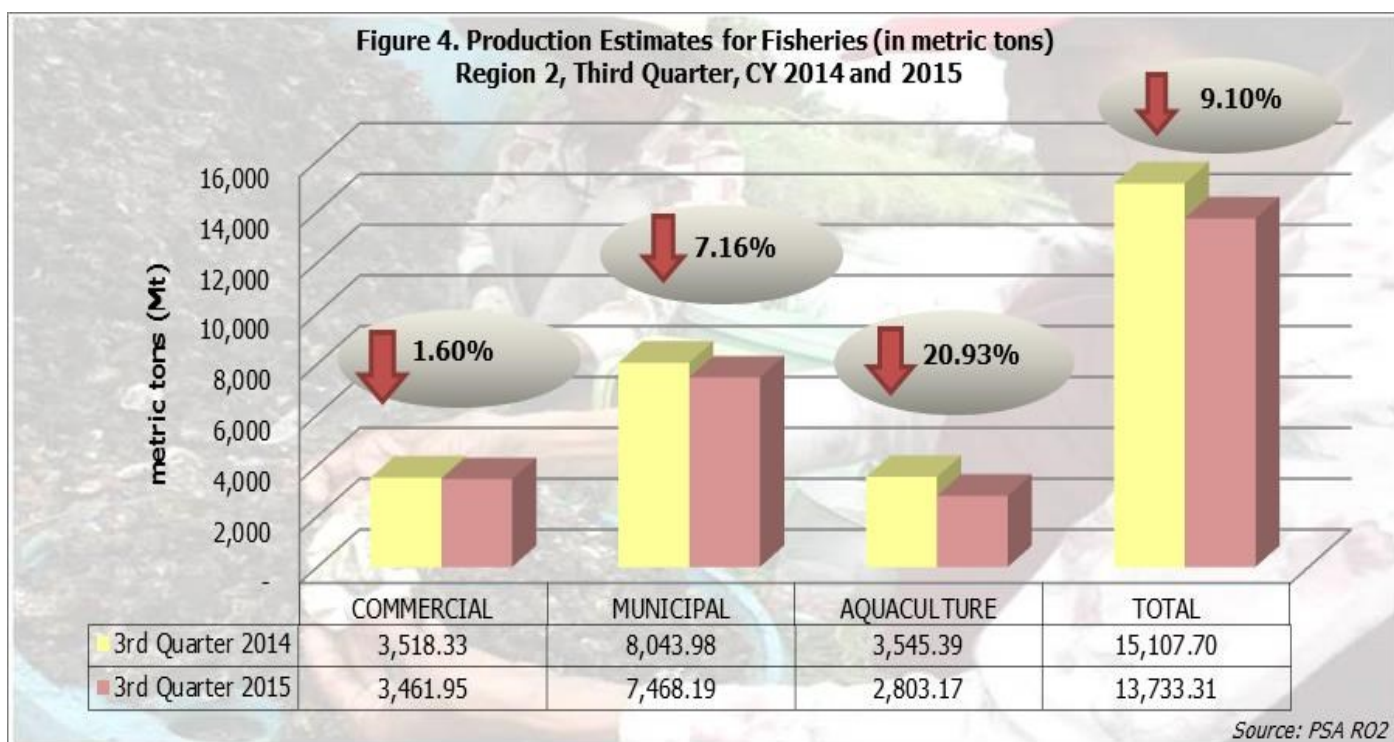
Fisheries

The region's fishery sector continued its production loss during the period in review. Aggregate fishery output reached 13,733.31 metric tons (MT), recording a 9.1 percent decrement against last year's production of 15,107.70 MT. All sectors posted declines led by aquaculture, followed by the municipal sector and commercial sector.

Production for the commercial sector slightly declined by 1.6 percent to 3,461.95 MT largely attributed to the decrease in acetes output. Production went down by 82.9 percent to 37.6 MT (from last year's 220.16 MT), as a result of the strict implementation of local ordinance in the municipality of Aparri, Cagayan prohibiting acetes fishing from September 1 to November 15 of each year.

Municipal fishing operations, which yielded a total produce of 7,468.19 MT, reflected a 7.16 percent decline from the same period in 2014. This decrease was primarily traced to the lower inland catch (down by 16.7%) brought about by the drying up of fishing grounds and low water level of commercial bodies of water due to the intense heat. Marine fishing output also slipped by 1.17 percent due to the closed season of acetes catching in Aparri, Cagayan and the less fishing efforts in Isabela.

Aquaculture production continued to register a negative growth rate during the third quarter this year. Output dropped by 20.93 percent to 2,803.17 MT from previous year's 3,545.39 MT harvest. Freshwater fishpond production, which made up more than half of the total output, significantly decreased by 37.5 percent. Moreover, lower output from brackishwater cages, and small farm reservoirs were also noted during the period. Factors cited for these declines were: 1) suspension of operations due to limited supply of fingerlings; 2) unavailability of fingerlings; 3) movement of harvest to 4th quarter due to the late release of irrigation water; 4) drying up of most reservoir; and 5) insufficient water supply during seeding period.



Farmgate Prices of Selected Agricultural Commodities

Average farmgate price of dry palay and yellow corn (matured) posted decreases over the same quarter last year by 22.34 percent (from PhP17.32) and 9.09 percent (from PhP12.64), respectively. The drop in prices were ascribed to the ample stocks of palay from previous harvest and the increased production and supply level of yellow corn.

Majority of the vegetables, root crops and condiments commanded better prices during the quarter led by pepper finger which posted a 40.52 percent price increase from PhP27.78 per kilogram in 2014. This was followed by chayote (38.1%), ampalaya (29.1%), squash (24.8%), and stringbeans (17.8%). The higher prices was affected by the sustained demand for the commodities coupled with the decrease in production. On the other hand, the increased supply level of cabbage, tomato and mongo in the market led to their farmgate price decline.

On fruits, banana (bungulan), calamansi, coconut young and papaya (hawaiian) managed to maintain their high prices because of sustained demand from buyers within and outside the region. On the contrary, farmgate prices of banana (lakatan, latundan and saba), pineapple (Hawaiian) and coconut matured went down due to increased production, smaller sizes of produce and abundant supply in the local markets.

Farm prices of live cattle and goat inched up over last year by 0.59 percent and 1.44 percent, respectively, due to sustained demand from consumers/assemblers/viajeros. Meanwhile, price of carabao slightly decreased due to lesser demand from consumers as cheaper meat products were favored. The price cut of hog (from PhP117.42 to PhP109.90) was attributed to more stocks available for slaughter.

On poultry, price of duck meat improved due to sustained/high demand from traders/consumers. For duck egg, sustained demand from consumers prompted raisers to increase farm gate price.

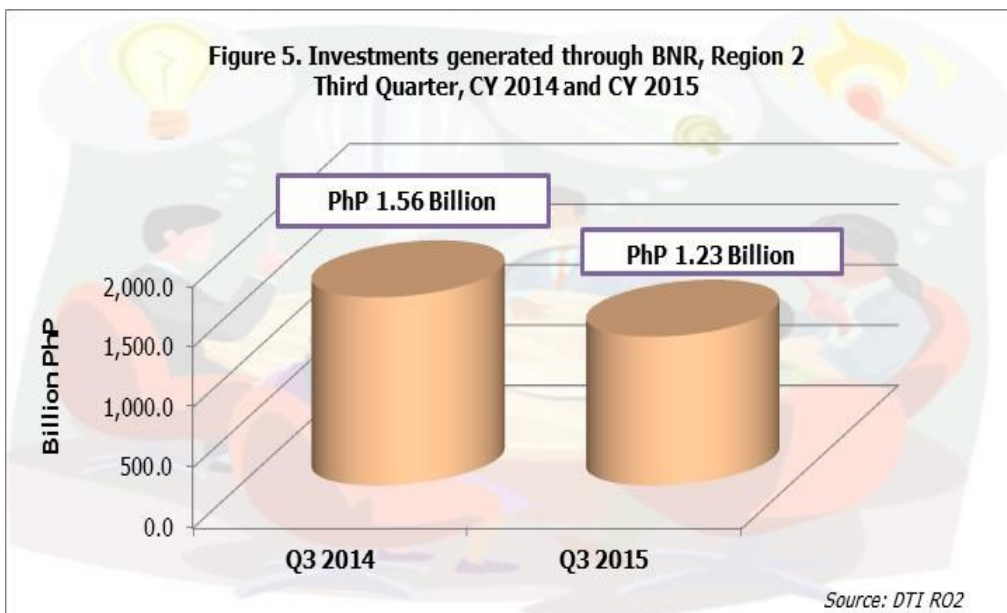
**Table 4. Average Farmgate Prices, Region 2
Third Quarter, CY 2014 and CY 2015**

Commodity/ Average Price (Peso per Kilogram)	3rd Qtr 2014	3rd Qtr 2015
Cereals		
Palay, Dry	22.30	17.32
Corn matured, yellow	12.64	11.49
Vegetables, Root Crops and Condiments		
Tomato	20.24	15.78
Eggplant long, purple	16.48	17.09
Cabbage	20.49	11.37
Cassava fresh tubers	4.32	14.60
Sweet Potato	12.26	13.33
Peanut w/ shell, dry	37.65	40.37
Mongo, green labo	63.20	58.56
Ampalaya	23.02	29.72
Chayote	7.10	9.80
Pechay native	19.70	20.93
Pepper finger (panigang)	27.78	39.04
Squash	10.99	13.72
Stringbeans (long)	19.01	22.40
Fruits and Nonfood, Industrial and Commercial Crops		
Banana green, bungulan	7.20	10.43
Banana green, lakatan	21.69	20.48
Banana green, latundan	14.20	13.33
Banana green, saba	9.65	9.20
Pineapple, hawaiian	15.45	15.38
Calamansi	11.35	13.80
Papaya, hawaiian	9.91	11.58
Coconut young	4.94	5.30
Coconut matured	8.07	7.89
Livestock and Poultry		
Carabao for slaughter	90.27	88.88
Cattle for slaughter	88.16	88.68
Hog for slaughter	117.42	109.90
Goat for slaughter	137.17	139.15
Duck for meat, backyard	130.25	130.48
Duck egg, commercial	5.30	5.76

Source: PSA Region 2

INVESTMENTS

DTI's Business Name Registration (BNR) saw a decline in terms of investment generated during the third quarter of this year. Overall capital investments stood at PhP1.23 Billion, which was 20.9 percent lower compared to last year's PhP1.56 Billion investments. This decline was mainly attributed to the decreased investment from Quirino, which slid by 94.4 percent, following the huge capital investment of the lone construction business registered last year amounting to PhP560 Million.



Nonetheless, the number of firms registered still increased to 2,931, reflecting a 17.4 percent increment from the 2,496 businesses registered in 2014. Bulk of the registration for the period remained to be firms engaged in trading and services sectors with a combined share of 93.2 percent of the total firm registration. Consequently, these sectors also accounted for the lion's share of the total investments generated at PhP1.08 Billion. Investments in the manufacturing and agri-based production also rose by 69.3% and 80.2%, respectively.

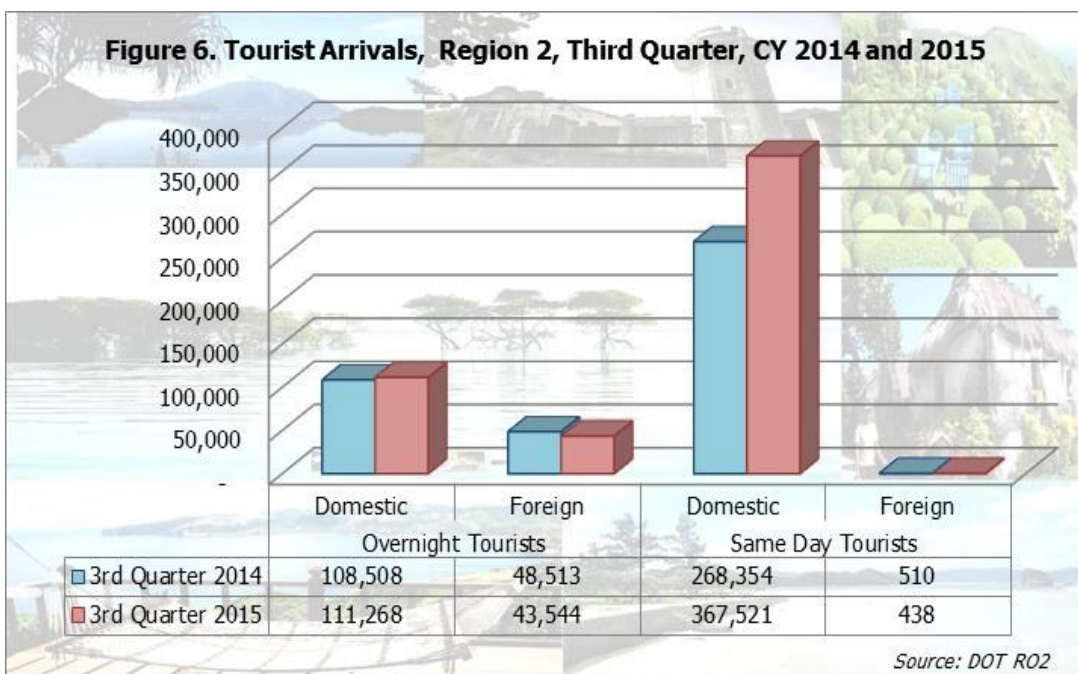
Across provinces, Cagayan had the biggest share in terms of investments at PhP678 Million (55% of total investments), followed by Isabela at PhP344.1 Million (27.9%) and Nueva Vizcaya at PhP168.8 Million (13.7%). However, in terms of number of firms registered, the biggest share was from the Isabela with 1,225 firms (41.8%), followed by Cagayan with 1,045 firms (35.7%). and Nueva Vizcaya with 447 firms (15.3%).

From the firms registered for the period, employment generation was expected to sum up to 6,969 jobs, exhibiting a 25.5 percent gain from last year's figure. Projected new employment from all sectors, excluding construction, posted double-digit percent increases led by agri-based production (39.2%), followed by services (36.3%), trading (25.9%) and manufacturing (17.4%). The decline in employment generation of the construction sector, which decreased by 37.1 percent, was ascribed to the relatively smaller size of the firms registered compared to the previous year.

The sustained gains in the region's investments was a reflection of the intensified provision of technical assistance (Skills trainings, Shared Service Facilities, SME Roving Academy, Trade Fairs, Negosyo Center) of the DTI RO2 to the MSME sector. Furthermore, the intensive promotion and campaign activities of DTI RO2 and other agencies led to the increased participation of entrepreneurs in international, local and trade fairs.

TOURISM

Volume of overnight tourists and same day visitors in the region from July to September of CY 2015 aggregated to 522,771 arrivals, surpassing the previous year's level by 22.75 percent. The strong growth in the arrivals of same day visitors compensated for the minimal decline in the overnight tourist arrivals.



Total overnight tourist arrivals minimally declined by 1.41 percent to 154,812, of which about 28 percent were foreign tourists. The number of foreign tourists reached 43,544 recording a drop of 10.24 percent from last year's arrival. The region's top foreign markets for the reference period were China (93.7% of the total overnight foreign arrivals), distantly followed by Taiwan (1.5%) and USA (0.7%). Overnight domestic visitors, on the other hand, increased to 111,268 arrivals from last year's 108,508 arrivals.

The main driver of the entire tourist arrivals during the third quarter was the same day tourists. Specifically, domestic tourists surged to 367,959, reflecting a substantial gain of 36.95 percent from last year's figure. In the case of same day foreign tourists, arrivals went down to 438 from the previous year's 510 volume of arrivals.

Earnings generated from the tourism activities during the period in review posted a 10.38 percent increment, accumulating to PhP622.93 Million from the PhP564.34 Million recorded the previous year. Revenues from

The positive accomplishments of the tourism sector were attributed to the continuous improvement of access and connectivity to the region's tourist attractions made possible by the strengthened convergence of the DOT with other government agencies, local government units and private sectors. Moreover, the development, enhancement and marketing of diversified tourism products and activities in region coupled with the sustained marketing and promotional programs of DOT have been instrumental in the improvement of the sector.

DEVELOPMENT FINANCING

Based on the available data from Land Bank of the Philippines Isabela Lending Center and Nueva Vizcaya Lending Center, gross outstanding loans from the provinces of Isabela, Quirino and Nueva Vizcaya stood at PhP11.891 Billion as of end-September 2015. This was higher by 25.1 percent from its year-ago figure of PhP9.506 Billion. Outstanding balance in Nueva Vizcaya was down to PhP1.156 Billion, representing a 11.3 percent drop from last year on the account of repayment of some borrowers of livelihood loans and no new loan releases of LGU loans during the quarter. In contrast, credit availment in Isabela and Quirino was on the uptrend as outstanding loans increased to PhP10.734 Billion from previous year's PhP8.203 Billion.

Agri-agra loans, which made up the lion's share of the total loan portfolio, posted a 27.7 percent growth mainly attributed to the increase in loans to large enterprises (174.2%), LGUs (84.%), SMEs (67.5%) and small farmers and fisher folks (36.63%). In contrast, non-agri agr loans decreased to PhP574.16 Million, representing a 10.81 percent decrease from last year's figure of PhP643.74 Million.

TRANSPORT**Air Transport**

CAAP-supervised airports in Region 02 recorded a 5.7 percent increase in terms of volume of aircraft operations during the third quarter of 2015. Overall number of flights to and from the region stood at 1,152 flights or 62 more flights compared to 1,090 flights recorded in the same period last year. The increase in the frequency of PAL and Cebu Pacific flights in Tuguegarao and Genera Aviation and PAL flights in Basco led to the 44.8 percent and 18.9 percent increments in aircraft movement, respectively. In contrast, Cauayan and Palanan airports registered 25.1 percent and 12.8 percent declines, respectively, due to the decrease in flights of Cyclone Airways.

Consequent to the increase in the number of flights, passenger movement posted a gain of 25.2 percent from last year's 59,899. The considerable hike in passenger movement of Tuguegarao (up by 32%) and Basco (up by 34.1%) airports were attributed to the increased frequency of flights and larger aircrafts plying the said airports. For Cauayan airport which registered a significant decrement in aircraft operations, passenger traffic still managed an increase of 5.6 percent due to the upgrade of Cebu Pacific Air's aircraft with a bigger seating capacity.

Volume of incoming and outgoing cargoes in the region aggregated to 826,319 kilograms in the third quarter of this year, exceeding the cargo volume of 626,936 kilograms last year by 31.8 percent. All airports, except for Bagabag and Itbayat, posted positive growth led by Basco (66.5%), followed by Tuguegarao (29%), Palanan (25.3%) and Cauayan (16.2%). Factors contributing to the increases were

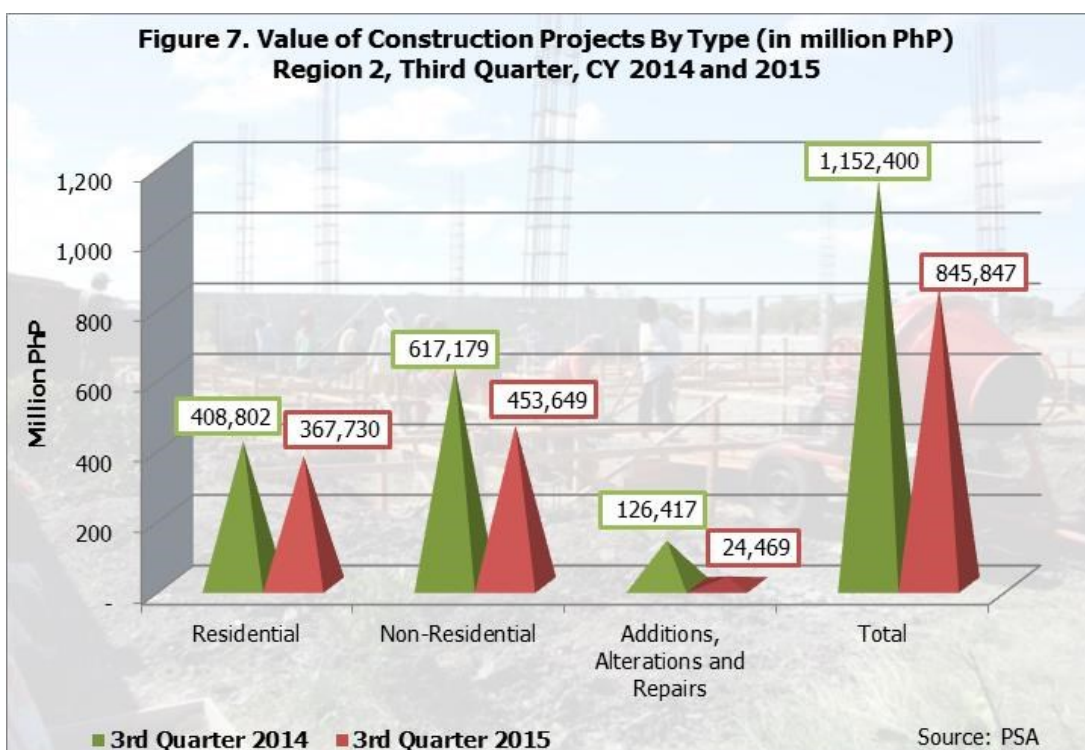
MINING AND QUARRYING

Mineral and quarry production in the region was on the downtrend during the third quarter of 2015. Sand and gravel, which made up bulk of the production, declined to 612,425.96 cubic meters on the account of lesser construction activities, both public and private, during the rainy season. Similarly, production of pure sand, boulders and earth materials all decreased substantially with reduction ranging from seventy to eighty percent.

For mineral production, another commodity that posted contraction during the reference period was nickel ore. Production last year was at 231,000 cubic meters which then dropped to zero production this year. Copper concentrates, produced by Oceana Gold Philippines Incorporated in Nueva Vizcaya, yielded a total output of 21,653 metric tons, lower by 7,212 metric tons from last year.

CONSTRUCTION

Number of construction projects in the region for the third quarter decreased to 754, lower by 12.2 percent as against the figure in 2014. Residential and non-residential projects fell by 19.2 percent (to 529 projects) and 4.2 percent (to 137 projects), respectively, while, in contrast, the recorded 88 projects on addition, alterations and repair were 17 more than last year's 61 projects.



The decline in the reported number of projects translated to a cut in the value of constructions. For the period, value of the projects stood at PhP845.8 Million, representing a 26.6 percent reduction from the previous year's value of PhP1.15 Billion. The smaller area of the construction projects, particularly for non-residential projects, contributed to the decline in the gross value of construction.

CRIME SITUATION

Crime situation in Region 2 has improved during the third quarter of the current year in comparison to the same period last year according to the report of the Philippine National Police Regional Office 2. Total crime volume stood at 3,618, or a 32.3% drop from last year's 5,342 crime incidents.

Crime statistics also showed a decrease in both index and non-index crime incidences from July to September compared to the same period last year. Index crimes, which include murder, homicide, rape, robbery and theft, went down by 634 crimes or 38.5 percent from last year's 1,647 reported incidences. Likewise, non-index crimes, or cases of estafa, prostitution, kidnapping and carnapping, registered a 29.5 percent decrement from the 3,695 cases reported the previous year.

Accordingly, the region's average monthly crime rate fell to 33.96 crime incidents per 100,000 population. This figure is 33.6 percent lower compared to the previous year's 51.14 average monthly crime rate. The strict implementation of the Police Integrated Patrol System (PIPS) has led to the increased productivity in law enforcement and has contributed to the overall decline in the region's crime incidence. Moreover, PIPS has further intensified the police visibility across the provinces in the region.

DEVELOPMENT PROSPECTS

Below are the following factors and interventions which are expected to affect the growth and development of the region in the succeeding quarters:

- ◆ The region, most particularly its agriculture sector, is expected to be adversely affected by the occurrence of strong El Niño starting September this year and is projected to persist until June of CY 2016. Intensified implementation of mitigation and adaptation measures of the Department of Agriculture (DA), Bureau of Fisheries and Aquatic Resources (BFAR) and other agencies and local government units must be put in place to cushion the negative impacts of this weather condition.
- ◆ The possible reduction in the agricultural production caused by the El Niño phenomenon could result to higher prices of food commodities particularly rice, vegetables, meat and poultry products and would put upward pressures to inflation. Hence, prices and supply of goods and services must be strictly monitored. On the other hand, the drop in the world market price of oil, which could lead to a lower production cost, could temper the anticipated price increase brought about by El Niño.
- ◆ The outlook for the industry and services sectors are seen to be more optimistic in the fourth quarter of CY 2015 which will be driven by the expected increased consumer demand during the holiday, steady inflow of OFW remittances during holiday and expected election-related spending for the 2016 national election.
- ◆ The anticipated acceleration of government spending in the succeeding quarters of the year will be instrumental in boosting the economic growth of the region.

Annex: Tables for the Third Quarter CY 2015 Regional Economic Situationer

Table 1. Consumer Price Index (CPI) and Inflation Rate by Commodity Group (2006 Base Year)
Region 2, Third Quarter, CY 2013 to CY 2015

COMMODITY GROUP	Consumer Price Index			Inflation Rate	
	3rd Qtr 2013	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
ALL ITEMS	136.2	142.3	144.5	4.5%	1.5%
I. FOOD AND NON-ALCOHOLIC BEVERAGES	145.6	155.8	158.7	7.0%	1.9%
* Food	147.3	158.1	160.8	7.3%	1.7%
Bread and Cereals	153.1	169.6	173.3	10.8%	2.2%
Rice	155.7	175.9	179.6	13.0%	2.1%
Corn	128.1	130.9	133.5	2.2%	2.0%
Other Cereals, Flour, Cereal Preparation, Bread, Pasta and Other Bakery Products	no data	149.5	153.5	no data	2.6%
Meat	135.7	140.3	139.3	3.4%	-0.8%
Fish	146.5	151.6	158.3	3.5%	4.4%
Milk, Cheese and Eggs	132.4	135.8	140.6	2.6%	3.6%
Oils and Fats	135.4	151.7	151.6	12.1%	-0.1%
Fruit	165.7	170.9	183.2	3.1%	7.2%
Vegetables	166.8	186.4	183.1	11.8%	-1.8%
Sugar, Jam, Honey, Chocolate and Confectionery	122.6	134.9	141.1	10.0%	4.6%
Food Products N.E.C.	142.8	153.6	162.7	7.6%	5.9%
* Non-alcoholic Beverages	120.6	121.3	125.0	0.6%	3.0%
II. ALCOHOLIC BEVERAGES AND TOBACCO	176.6	183.4	197.6	3.8%	7.8%
Alcoholic Beverages	135.5	140.2	145.4	3.4%	3.7%
Tobacco	222.4	231.6	255.9	4.1%	10.5%
NON-FOOD	125.5	127.8	128.9	1.9%	0.8%
III. CLOTHING AND FOOTWEAR	122.4	123.5	126.6	1.0%	2.5%
Clothing	122.2	123.5	126.9	1.1%	2.8%
Footwear	122.9	123.7	125.5	0.7%	1.5%
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	127.2	131.5	131.2	3.3%	-0.2%
Actual Rentals for Housing	116.6	121.8	125.7	4.5%	3.2%
Maintenance and Repair of the Dwelling	131.0	134.4	136.3	2.6%	1.4%
Water Supply and Miscellaneous Services Relating to the Dwelling	115.4	117.3	120.4	1.6%	2.7%
Electricity, Gas and Other Fuels	142.2	145.2	139.7	2.1%	-3.8%
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	124.0	125.7	127.3	1.3%	1.3%
Furniture and Furnishings, Carpets and Other Floor Coverings	105.3	105.2	105.7	-0.1%	0.5%
Household Textiles	109.6	110.7	112.4	0.9%	1.6%
Household Appliances	105.3	107.0	107.0	1.6%	0.0%
Glassware, Tableware and Household Utensils	119.6	120.1	121.6	0.5%	1.2%
Tools and Equipment for House and Garden	121.6	123.0	125.9	1.2%	2.4%
Goods and Services for Routine Household Maintenance	131.3	133.3	135.3	1.5%	1.5%

COMMODITY GROUP	Consumer Price Index			Inflation Rate	
	3rd Qtr 2013	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
VI. HEALTH	129.7	131.5	134.0	1.4%	1.9%
Medical Products, Appliances and Equipment	120.2	122.3	124.0	1.7%	1.4%
Out-patient Services	123.1	124.2	127.3	0.9%	2.5%
Hospital Services	161.2	162.9	166.7	1.1%	2.3%
VII. TRANSPORT	136.7	137.9	139.2	0.9%	0.9%
Operation of Personal Transport Equipment	127.2	129.3	117.1	1.7%	-9.5%
Transport Services	139.5	140.3	145.5	0.6%	3.7%
VIII. COMMUNICATION	89.2	89.2	88.0	0.0%	-1.3%
Postal Services	135.0	140.5	140.5	4.1%	0.0%
Telephone and Telefax Equipment	49.6	49.0	44.4	-1.2%	-9.4%
Telephone and Telefax Services	102.4	102.6	102.6	0.2%	0.0%
IX. RECREATION AND CULTURE	100.5	101.3	101.7	0.7%	0.4%
Audio-visual, Photographic and Information Processing Equipment	87.8	88.4	88.5	0.7%	0.1%
Other Recreational Items and Equipment, Gardens and Pets	104.9	105.4	105.9	0.5%	0.5%
Recreational and Cultural Services	117.0	116.2	119.0	-0.7%	2.4%
Newspapers, Books and Stationery	115.6	117.3	117.2	1.4%	-0.1%
X. EDUCATION	132.1	133.6	135.5	1.1%	1.4%
Pre-primary and Primary Education	153.3	156.0	158.9	1.8%	1.9%
Secondary Education	132.9	136.5	136.5	2.7%	0.0%
Tertiary Education	118.0	118.0	119.9	0.0%	1.6%
XI. RESTAURANTS AND MISCELLANEOUS GOODS AND SERVICES	122.2	123.5	125.5	1.1%	1.6%
Catering Services	125.1	126.4	128.5	1.0%	1.7%
Personal Care	117.5	118.9	120.7	1.1%	1.5%
Personal Effects N.E.C.	129.7	132.4	133.8	2.0%	1.1%

Source: PSA Region 2

**Table 2. Selected Employment Indicators, Region 2
Third Quarter, CY 2014 and CY 2015**

Indicator		July 2014	July 2015
Household Population 15 Years Old and Over	Number ('000)	2,310	2,335
Labor Force Participation	Number ('000)	1,531	1,534
	Rate (%)	66.3%	65.7%
Employment	Number ('000)	1,470	1,482
	Rate (%)	96.0%	96.6%
Unemployment	Number ('000)	61	53
	Rate (%)	4.0%	3.4%
Underemployment	Number ('000)	173	185
	Rate (%)	11.8%	12.5%

Source: PSA Region 2, July Labor Force Survey

Table 3. Palay Production, in metric tons (MT), Region 2
Third Quarter, CY 2014 and CY 2015

Province	Irrigated		Rainfed		Upland		Total	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Batanes	2.65	-	-	-	0.22	11.83	2.87	11.83
Cagayan	23,348.00	42,696.00	504.00	264.00	-	-	23,852.00	42,960.00
Isabela	272,882.00	94,405.00	-	1,027.00	-	194.00	272,882.00	95,626.00
Nueva Vizcaya	58,686.00	60,786.00	14.00	24.00	-	-	58,700.00	60,810.00
Quirino	330.00	4,897.00	-	-	-	-	330.00	4,897.00
REGION 02	355,248.65	202,784.00	518.00	1,315.00	0.22	205.83	355,766.87	204,304.83

Source: PSA Region 2

Table 4. Area Harvested for Palay, in hectares (ha), Region 2
Third Quarter, CY 2014 and CY 2015

Province	Irrigated		Rainfed		Upland		Total	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Batanes	1.00	-	-	-	0.25	12.23	1.25	12.23
Cagayan	5,765.00	10,148.00	213.00	110.00	-	-	5,978.00	10,258.00
Isabela	57,208.00	19,627.00	-	404.00	-	176.00	57,208	20,207.00
Nueva Vizcaya	12,248.00	12,603.00	5.00	8.00	-	-	12,253.00	12,611.00
Quirino	75.00	1,180.00	-	-	-	-	75.00	1,180.00
REGION 02	75,297.00	43,558.00	218.00	522.00	0.25	188.23	75,515.25	44,268.23

Source: PSA Region 2

Table 5. Palay Productivity, in MT/ha, Region 2
Third Quarter, CY 2014 and CY 2015

Province	Irrigated		Rainfed		Upland		Total	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Batanes	2.65	-	-	-	0.88	0.97	2.30	0.97
Cagayan	4.05	4.21	2.37	2.40	-	-	3.99	4.19
Isabela	4.77	4.81	-	2.54	-	1.10	4.77	4.73
Nueva Vizcaya	4.79	4.82	2.80	3.00	-	-	4.79	4.82
Quirino	4.40	4.15	-	-	-	-	4.40	4.15
REGION 02	4.72	4.66	2.38	2.52	0.88	1.09	4.71	4.62

Source: PSA Region 2

**Table 6. Corn Production, in metric tons (MT), Region 2
Third Quarter, CY 2014 and CY 2015**

Province	White		Yellow		Total	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Batanes	-	2.45	0.98	6.79	0.98	9.24
Cagayan	8,571.00	9,114.00	112,710.00	108,972.00	121,281.00	118,086.00
Isabela	6,290.00	3,594.00	402,659.00	422,596.00	408,949.00	426,190.00
Nueva Vizcaya	1,607.00	1,409.00	32,143.00	28,056.00	33,750.00	29,465.00
Quirino	250.00	140.00	8,127.00	30,213.00	8,377	30,353.00
REGION 02	16,718.00	14,259.45	555,639.98	589,843.79	572,357.98	604,103.24

Source: PSA Region 2

**Table 7. Area Harvested for Corn, in hectares (ha), Region 2
Third Quarter, CY 2014 and CY 2015**

Province	White		Yellow		Total	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Batanes	-	2.70	0.32	2.85	0.32	5.55
Cagayan	3,923.00	4,665.00	27,886.00	28,231.00	31,809.00	32,896.00
Isabela	2,644.00	1,755.00	90,149.00	101,386.00	92,793.00	103,141.00
Nueva Vizcaya	550.00	464.00	6,810.00	6,076.00	7,360.00	6,540.00
Quirino	80.00	70.00	1,650.00	9,325.00	1,730.00	9,395.00
REGION 02	7,197.00	6,956.70	126,495.32	145,020.85	133,692.32	151,977.55

Source: PSA Region 2

**Table 8. Corn Productivity, in MT/ha, Region 2
Third Quarter, CY 2014 and CY 2015**

Province	White		Yellow		Total	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Batanes	-	0.91	3.06	2.38	3.06	1.66
Cagayan	2.18	1.95	4.04	3.86	3.81	3.59
Isabela	2.38	2.05	4.47	4.17	4.41	4.13
Nueva Vizcaya	2.92	3.04	4.72	4.62	4.59	4.51
Quirino	3.13	2.00	4.93	3.24	4.84	3.23
REGION 02	2.32	2.05	4.39	4.07	4.28	3.97

Source: PSA Region 2

Table 9. Production estimates for Other Crops, in metric tons (MT), Region 2
Third Quarter, CY 2014 and CY 2015

COMMODITY	VOLUME OF PRODUCTION	
	3rd Qtr 2014	3rd Qtr 2015
FRUITS	120,487.89	126,292.42
<i>Major</i>	<i>106,718.22</i>	<i>112,471.49</i>
Banana	92,974.59	96,680.31
Calamansi	1,751.31	1,852.33
Mango	288.27	264.38
Pineapple	11,704.05	13,674.47
<i>Priority</i>	<i>3,070.07</i>	<i>3,061.16</i>
Balimbing	7.71	7.71
Durian	23.31	28.10
Lanzones	3.30	3.75
Papaya	509.39	495.81
Rambutan	369.53	401.34
Tamarind	258.97	270.48
Watermelon	211.84	167.54
Mandarin	1,608.65	1,608.13
Orange	77.37	78.30
<i>Other Fruits</i>	<i>10,699.60</i>	<i>10,759.77</i>
VEGETABLES AND ROOT CROPS	71,272.81	100,969.17
<i>Major</i>	<i>48,913.21</i>	<i>78,977.77</i>
Mongo	437.74	478.41
Peanut	623.37	579.77
Cabbage	226.16	218.65
Eggplant	4,385.01	4,634.38
Tomato	950.36	962.91
Garlic	-	-
Onion	18.41	17.26
Camote	649.98	615.70
Cassava	41,622.18	71,470.69

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Table 9. Production estimates for Other Crops, in metric tons (MT), Region 2
Third Quarter, CY 2014 and CY 2015

continuation

COMMODITY	VOLUME OF PRODUCTION	
	3rd Qtr 2014	3rd Qtr 2015
Priority	18,981.82	18,805.59
Habitchuelas	656.19	685.88
B. Blossom	1,907.90	1,957.86
Broccoli	13.13	13.30
Cauliflower	115.01	110.62
Kangkong	839.50	831.53
Lettuce	0.60	0.56
Pechay	699.03	683.74
Ampalaya	1,096.77	1,053.48
Stringbeans	6,552.80	6,498.84
Gourd	647.43	641.02
Okra	1,831.26	1,951.05
Squash Fruit	2,273.74	2,092.81
Ginger	144.91	147.35
Pepper	356.31	318.38
Carrots	36.22	38.55
Gabi	1,777.84	1,749.19
Radish	23.33	21.93
Irish Potato	9.85	9.50
Other Vegetables	3,377.78	3,185.81
NON-FOOD AND INDUSTRIAL COMMERCIAL CROPS (NFICC)	121,346.08	127,706.34
Major	107,095.61	117,517.39
Coconut with husk	18,996.63	19,911.93
Coffee (dried beans with pulp)	-	-
Sugarcane (cane)	88,098.98	97,605.46
Tobacco (dried leaves)	-	-
Priority	12,756.27	8,695.75
Cacao (dried beans with pulp)	0.80	0.92
Cashew (ripe fruit with nut)	19.25	18.01
Bromeliad (live plant with pot)	58.35	35.36
Green cornstalk	454.26	611.65
Rice hay (dried hays)	12,223.61	8,029.81
Other NFICC	1,494.20	1,493.20

Source: PSA Region 2

**Table 10. Production estimates for Livestock and Poultry (in MT, liveweight)
Third Quarter, CY 2014 and CY 2015**

COMMODITY	3rd Qtr 2014	3rd Qtr 2015
Livestock	22,477	22,576
Swine	2,000	1,804
Cattle	3,835	3,490
Carabao	16,215	16,861
Goat	427	420
Poultry	14,942	15,285
Chicken	14,432	14,777
Duck	510	508

Source: PSA Region 2

**Table 11. Production estimates (in MT) and Area Harvested (in ha) for Fisheries, Region 2
Third Quarter, CY 2014 and CY 2015**

COMMODITY	Production (MT)		Area Harvested (ha)	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
COMMERCIAL	3,518.33	3,461.95	n/a	n/a
Cagayan	3,518.33	3,461.95	n/a	n/a
MUNICIPAL	8,043.98	7,468.19	n/a	n/a
Marine	4,940.79	4,882.95	n/a	n/a
Cagayan	4,642.76	4,592.37	n/a	n/a
Isabela	193.40	180.82	n/a	n/a
Batanes	104.63	109.76	n/a	n/a
Inland	3,103.19	2,585.24	n/a	n/a
Cagayan	1,989.59	1,605.67	n/a	n/a
Isabela	733.76	681.68	n/a	n/a
Nueva Vizcaya	295.59	234.47	n/a	n/a
Quirino	84.25	63.43	n/a	n/a
AQUACULTURE	3,545.39	2,803.17	883.90	713.29
Cagayan	1,130.37	1,285.95	317.21	318.93
Isabela	1,888.78	1,257.55	416.58	294.83
Nueva Vizcaya	410.95	222.23	106.39	78.59
Quirino	115.30	37.44	43.72	20.95
REGIONAL TOTAL	15,107.70	13,733.31	n/a	n/a

Source: PSA Region 2

Table 12. LBP Outstanding Loans, by Industry* (in million Php), Region 2
As of September 30, CY 2014 and CY 2015

Industries	As of September 30, 2014				As of September 30, 2015			
	Outstanding Balance			% Share	Outstanding Balance			% Share
	Isabela/ Quirino	Nueva Vizcaya	Total		Isabela/ Quirino	Nueva Vizcaya	Total	
AGRI-AGRA LOANS								
SMEs	1,221.87	243.75	1,465.62	15.4%	2,186.21	267.98	2,454.19	20.6%
LGU Loans	697.49	46.95	744.44	7.8%	1,348.64	25.07	1,373.72	11.6%
Small farmers & fisher folks	2,162.62	492.95	2,655.57	27.9%	3,137.64	482.22	3,619.86	30.4%
Livelihood Loans	-	377.27	377.27	4.0%	-	234.36	234.36	2.0%
CFI Loans	2,728.79	-	2,728.79	28.7%	1,197.34	-	1,197.34	10.1%
Large Enter- prise	756.61	129.48	886.09	9.3%	2,301.37	128.33	2,429.70	20.4%
Easy Home Loans	-	4.50	4.50	0.05%	-	7.30	7.30	0.1%
Subtotal	7,567.38	1,294.90	8,862.28	93.15%	10,171.21	1145.26	11,316.47	95.2%
NON AGRI-AGRA LOANS								
LGU Loans	223.69	8.10	231.79	2.4%	374.04	10.97	385.02	3.2%
GOCCs	38.47	-	38.47	0.4%	28.85	-	28.85	0.2%
Others	373.47	-	373.47	3.9%	160.29	-	160.29	1.3%
Subtotal	635.63	8.10	643.73	6.8%	563.19	10.97	574.16	4.8%
TOTAL	8,203.01	1,303.00	9,506.01	100.0%	10,734.39	1,156.24	11,890.63	100.0%

Table 13. LBP Outstanding Loans*, by Province (in million Php), Region 2
As of September 30, CY 2014 and CY 2015

Provinces	As of September 30, 2014		As of September 30, 2015	
	Outstanding Balance	% Share	Outstanding Balance	% Share
Isabela/ Quirino	8,203.01	86.3%	10,734.39	90.3%
Nueva Vizcaya	1,303.00	13.7%	1,156.24	9.7%
TOTAL	9,506.01	100.0%	11,890.63	100.0%

Source: Land Bank of the Philippines - Isabela Lending Center, Nueva Vizcaya Lending Center

* No data for the provinces of Batanes and Cagayan

Table 14. Number of Firms Registered, Investments and Employment Generated, By Province, Region 2
Third Quarter, CY 2014 and CY 2015

PROVINCE	Number of Firms		Investments (in Million Php)		Employment	
	3rd Qtr. 2014	3rd Qtr. 2015	3rd Qtr. 2014	3rd Qtr. 2015	3rd Qtr. 2014	3rd Qtr. 2015
Batanes	57	51	20.89	8.99	129	91
Cagayan	682	1,045	401.23	677.99	1,806	2,538
Isabela	1,230	1,225	327.09	344.13	2,255	2,978
Quirino	107	163	602.80	33.75	293	375
Nueva Vizcaya	420	447	206.91	168.76	1,071	987
Regional Total	2,496	2,931	1,558.92	1,233.62	5,554	6,969

Source: DTI Region 2

**Table 15. Number of Firms Registered, Investments and Employment Generated, By Sector, Region 2
Third Quarter, CY 2014 and CY 2015**

PROVINCE	Number of Firms		Investments (in million PhP)		Employment	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
Manufacturing	120	141	27.88	47.20	344	404
Agri-based Production	25	19	21.74	39.17	51	71
Construction	34	40	630.55	70.75	353	222
Trading	1,308	1,588	403.21	367.24	2,663	3,352
Services	1,009	1,143	475.54	709.26	2,143	2,920
Total	2,496	2,931	1,558.91	1,233.62	5,554	6,969

Source: DTI Region 2

**Table 16. Number of Flights, Passenger and Cargo Movement, Region 2
Third Quarter, CY 2014 and CY 2015**

Airport	Number of Flights		Passenger Movement		Cargo Movement (in kilogram)	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr. 2014	3rd Qtr. 2015	3rd Qtr. 2014	3rd Qtr. 2015
Tuguegarao	344	498	34,712	45,814	382,848	493,876
Basco	148	176	8,416	11,283	90,320	150,363
Cauayan	402	301	15,001	15,835	115,935	134,664
Bagabag	-	6	-	75	-	-
Itbayat	-	-	-	-	-	-
Palanan	196	171	1,770	2,013	37,833	47,416
Total	1,090	1,152	59,899	75,020	626,936	826,319

Source: CAAP Area Center II

**Table 17. Number and Value of Construction Projects from Approved Building Permits
Region 2, Third Quarter, CY 2014 and CY 2015**

Type of Construction	Number		Value (in million PhP)	
	3rd Qtr. 2014	3rd Qtr. 2015	3rd Qtr. 2014	3rd Qtrs. 2015
Residential	1,247	1,392	802.633	950.198
Non-Residential	274	297	1,721.495	917.015
Additions	12	32	17.966	36.438
Alterations and Repairs	166	137	123.055	245.035
TOTAL	1,699	1,858	2,665.152	2,148.686

Source: PSA

**Table 18. Production of Metallic and Non-Metallic Mineral Commodities
Region 2, Third Quarter, CY 2014 and CY 2015**

Commodity/Province	Production (cubic meter)	
	3rd Qtr 2014	3rd Qtr 2015
Sand and Gravel		
Cagayan	133,109.82	42,879.20
Isabela	1,046,628.58	541,560.76
Nueva Vizcaya	248,017.92	11,422.00
Quirino	105,195.42	16,564.00
<i>Subtotal</i>	<i>1,532,951.74</i>	<i>612,425.96</i>
Pure Sand		
Cagayan	19,188.63	3,401.31
Nueva Vizcaya	247,125.50	25,069.00
<i>Subtotal</i>	<i>266,316.13</i>	<i>28,470.31</i>
Boulders		
Cagayan	20,119.51	3,067.21
Nueva Vizcaya	36,197.00	4,970.50
<i>Subtotal</i>	<i>56,316.51</i>	<i>8,037.71</i>
Earth Material		
Cagayan	12,100.25	2,569.00
TOTAL	1,867,684.63	651,502.98
Nickel Ore		
Isabela	231,000.00	-
Copper Concentrate (in MT)		
Nueva Vizcaya	28,865.00	21,653.00

Source: MGB Region 2

**Table 19. Crime Statistics by Report Classification, Region 2
Third Quarter, CY 2014 and CY 2015**

Reporting Unit	Index Crimes		Non-Index Crimes		TOTAL	
	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015	3rd Qtr 2014	3rd Qtr 2015
PNP	1,276	834	2,946	2,248	4,222	3,082
Barangay	368	171	739	342	1,107	513
OLEA	3	8	10	15	17	23
TOTAL	1,647	1,013	3,695	2,605	5,346	3,618

Source: PNP Region 2

Table 20. Crime Statistics by Province/City, Region 2
Third Quarter, CY 2014 and CY 2015

Province/Cities	Crime Volume (Index & Non-Index)		Average Monthly Crime Rate (AMCR)	
	3rd Qtr. 2014	3rd Qtr. 2015	3rd Qtr. 2014	3rd Qtr. 2015
PROVINCES				
Batanes	18	34	33.52	62.13
Cagayan	81	491	27.31	15.11
Isabela	1,604	1,044	45.11	28.74
Quirino	115	104	20.11	17.85
Nueva Vizcaya	1,041	884	76.38	63.65
CITIES				
Tuguegarao	736	199	163.86	43.48
Cauayan	212	327	53.58	81.10
Ilagan	149	114	34.08	25.59
Santiago	596	421	138.74	96.18
TOTAL	4,552	3,618	51.14	33.96