

3RD QUARTER REGIONAL ECONOMIC SITUATIONER CY 2008

The Quarter of Note

The region recorded notable gains this quarter. This was fueled by the availability of loans for investors and LGUs in augmenting their capital requirements and infrastructure projects. At the start of the quarter, banking institutions were made more available to creditors with an increase in the number of branches and offices. In turn, outstanding loans had increased. More specifically, The Land Bank of the Philippines (LBP) granted higher loans in support of the region's investments, especially for Small and Medium Enterprises (SMEs). Likewise, Local Government Units (LGUs) were lent financial support in order to maintain and provide infrastructure support to their local industries.

Consequently, the region posted higher investment levels with the rise of business name registrations, especially in the trading and services sub-sectors, and the increasing number of locators and capital investment at the Cagayan Special Economic Zone and Free Port (CSEZFP). Meanwhile, the region also recorded a steadfast labor force participation and an improving employment rate in the quarter under review.

Despite lesser investments ventured in Agri-Production, key stakeholders strived far enough to bring the agriculture sector in an upturn. Production along palay, corn and high-value crops posted increments vis-à-vis last year's levels. Meanwhile, the region's valuable contributions in both Municipal Fishery sub-sector and Aquaculture brought gains in fisheries production.

On the other hand, the Industry sub-sector of Mining and Quarrying reflected increases, especially in gravel and sand production. The services sub-sectors of Tourism, Communication and Transportation also fared well as manifested by the increase in tourist arrivals, the expansion of cellular services and the increase in motor vehicle registration.

While the strong performances of the sectors indicated a favorable economic growth, price of the average consumer basket of goods and services went up due to the increasing fuel prices and bringing inflation to a two-digit level. Thus, despite the promising production levels of the region's palay, corn, HVCCs and fisheries, the price hike along basic commodities skyrocketed.

The succeeding sections present the details of the sectors' performance levels and their effects on the regional economy.

II. Economic Performance in Assessment

The quarter was geared for growth with the influx of loans and investments to ignite economic activities within the sectors. Moreover, labor was also well provided with an increase in labor force participation. In turn, the region responded with production increases especially along rice, corn, fisheries and the major industries.

The following sub-sections discuss the performance of key economic indicators in the region vis-à-vis their level in the 3rd quarter of the previous year. This is to arrive at an overall insight of the regional economic situation for the quarter in review.

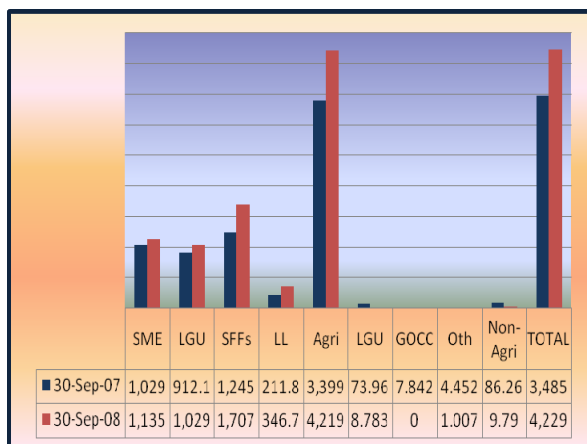
More Available Loans

The quarter started with loans made more available with the number of banks registered at 242 reflecting a 2.54 percent increase as compared to last year.

Correspondingly, outstanding loans increased by 14.72 percent. Based on BSP report, outstanding loans in the region reached Php13.374Billion in the end of June, this year from only Php11.657Billion in the same month last year. This implies that more than Php1.7 Billion amount of loans were granted from June, last year to June of this year to finance economic activities in the region, thus, spurring growth. (Tables 1&2)

On a spatial scale, 60.71 percent of the region’s outstanding loans were granted in the province of Isabela with the province’s role as an agriculture and investment hub.

More specifically, the Land Bank of the Philippines had released higher amount of loans in the quarter. With the banks major thrust, the increase in loans was expected to mount up benefits especially along agriculture and small-scale enterprises.



As of September 30, 2008, total outstanding loans at the Land Bank of the Philippines reached Php 4,229.11 Million or a 21.07 percent increment from last year. Agri-Agra Loans comprised 99.77 percent of the total outstanding loans at a total of Php 4,219.32 Million . It likewise posted an increase of 24.11 percent as compared to its figure last year. Bulk of the bank’s new loans in the quarter or a total of Php 713.86 million went to Palay Production in support of the National Government’s Program on Food Security. (Tables 3& 4)

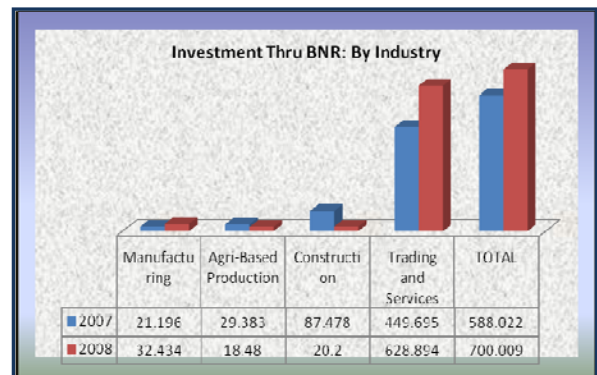
Specifically, the region’s Agri-Agra Loans were distributed as follows: SMEs Loans comprised 26.86 percent, LGU Loans comprised 24.35 percent, Small Farmers and Fisherfolks comprised 40.37 percent and Livelihood Loans comprised 8.20 percent of the bank’s outstanding loans. (Table 4)

Flourishing Investments

Aside from the availability of the financial sector to lend loans to LGUs and investors, the investment promotion activities of key stakeholders likewise strengthened the region’s investment potential. As of September 30, 2008, a total of 80 locators were registered at the Cagayan Special Economic Zone and Freeport; 49 of which are operational. Consequently, actual capital investment reached Php4.58 Billion. Most of the investments ventured into interactive gaming support services at a total of 41 locators (32 operational) and contributing a total of Php2.57 Billion actual capital investment. It should be noted, however, that while the region has a comparative advantage on agriculture (especially on rice and corn), the exportation and processing of regional agri-products has yet to be established. This is due to the high production and processing cost in the country which prompted transnational investors to locate in other countries where labor and production costs are relatively lower. (Table 5)

Meanwhile, based on the Business Name Registration (BNR) of the DTI, 1,669 firms were registered in the quarter. Bulk of these firms was located in Isabela at a total of 810. The business optimism was geared toward the industries of Trading and Services as they grabbed total registrations of 954 and 571 firms respectively. It is worth noting that despite the region’s thrust to further develop agricultural production and productivity; only 16 firms were registered in Agri-Based Production. (Table 6)

Consequently, total registered investments through business name registration reached Php 700.008 Million pesos reflecting a 19 percent increment as compared to last year. The huge investment was recorded along Trading and Services at Php 628.89 Million in the quarter or a percentage share of 89.84 percent. As such, the investment on these industries reflected a 40 percent increase this year. Likewise, manufacturing reflected an increase of 53 percent this quarter. On the other hand, investments in agri-based production and construction reflected declines of 37 percent and 77 percent respectively. (Table 7)



Across the provinces, Isabela grabbed most of the registered investments at Php 333.61 million or a percentage share of 47.66 percent due to the province’s investment potential as it links the provinces of the region. . Cagayan followed with Php 269.34 or a share of 38.48 percent. The provinces of Batanes, Nueva Vizcaya and Quirino contributed respective shares of 0.14 percent, 11.38 percent and 2.34 percent respectively. (Table 8)

Aside from business name registration, Board of Investments recorded, as of September, 2008, two new firms namely; Country Inn Hotel and Resort in Baggao, Cagayan with a project cost of Php 4 million and Hotel Kimikarlai in Tuguegarao City with a project cost of Php 50 Million. These firms had given the region’s tourists wider options on their temporary abode in the region.

Improved Employment

The quarter started with the region's workforce on robust levels. . Results of the July, 2008 LFS shows that the region's working age population (population 15 years and over) reached 2.102 million. However, a lower proportion of this working age group participated in the labor force with 66.8 percent vis-à-vis last year's figure of 67.8 percent. In absolute figures, 1.403 Million were either working, desiring or looking for work during the quarter. (Table 11)

Worker absorption in the region improved this year with employment rate reaching 97.1 percent vis-à-vis last year's figure of 96.3 percent. In absolute figures, employed persons reached 1.362 Million from only 1.342 Million in 2007.

While the region was able to tap a mark in terms of employment, it came short in providing a better condition for employment as evinced in the slight increase in the underemployment rate, from 16.5 percent in 2007 to 18.1 percent this year.

Employment accruing from the generated investments during the quarter includes significant workforce absorption from CSEZFP, BNR and BOI. Specifically, the activities at CSEZFP employed a total of 5,728 workers, 4081 of which were employed along interactive gaming support services (see table 5). The influx of investments thru BNR also created 4,900 jobs for the region's population. Trading and services employed the most workers at 4,312 comprising 88 percent of the total employment generated thorough business name registration. (see table 9). Likewise, firms registered in the Bureau of Investments (BOI) generated a total of 94 jobs.

Did the Key Sectors Respond?

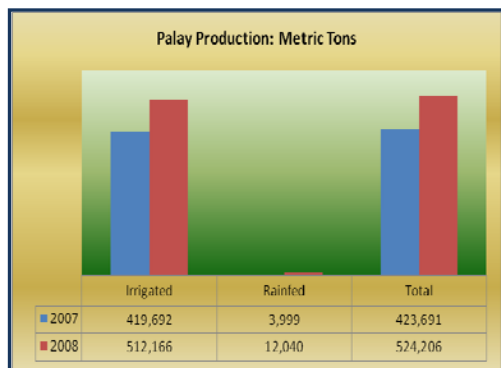
The improvement in the region's loan access, investment and employment are expected to catalyze regional growth. With the increase in loans and investment as augmented by the development interventions of lead agencies and LGU's, the agriculture sector, and the sub-sectors of fisheries, mining, transportation, tourism and communication all blossomed in the quarter.

A. Palay and Corn Production Fueled Agriculture's Acceleration

After a series of sluggish performance from the last quarter of last year until the 1st quarter of the year, the region's agriculture sector began to accelerate with Palay and corn fueling the charge.

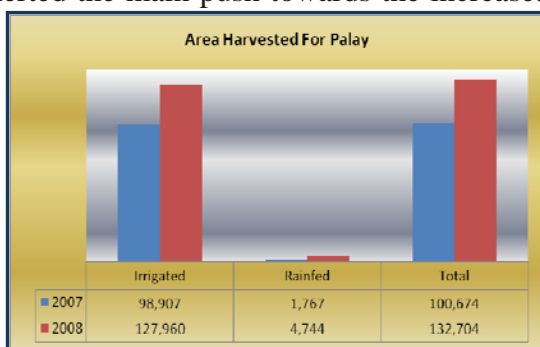
A.1 Palay

Palay production in the quarter was on the upbeat at 524,206 MT, reflecting a 23.72 percent increase from last year's figure of 423,691 MT. Specifically, production from the irrigated areas posted a 22.03 percent increase from last year's figure of 419,692 MT. Production from rain-fed agricultural lands also posted a notable increase of 201 percent from 3,999MT in the same quarter, last year. (Table 12)



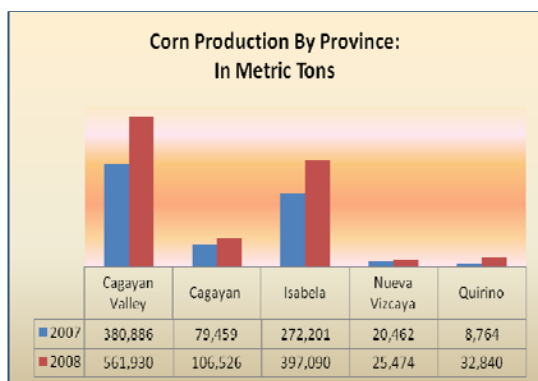
It is worth noting that all of the region’s provinces had responded to the nation’s programs on food security. The province of Isabela still maintained its lead as a rice granary with an increase of 17.07 percent from its figure of 304,234MT in the same quarter, last year. Likewise, Cagayan, Nueva Vizcaya and Quirino posted increases of 83.91 percent, 0.99 percent and 36.20 percent respectively with their recorded production levels of 53,736MT, 57,646MT and 8,075MT in the same quarter, last year.

While movement of harvest from the 2nd quarter to 3rd quarter stands as a factor in the production increase along palay, the increase in area harvested exerted the main push towards the increase. Area planted with palay reflected a 31.82 percent increase, from 100,674 hectares in 2007 to 132,704 hectares this year. Specifically, the region’s irrigated areas planted with palay expanded by 29.37 percent from 98,907 hectares in 2007. This is attributable to the early wet programs of DA and NIA. Moreover, previously flooded and unutilized irrigated farmlands were restored for planting in the quarter. Meanwhile, Rainfed areas planted with palay recorded a 168.48 percent from last year’s figure of 1,767 hectares. (Table 13)



Despite the increase in production, the Region was sluggish in terms of productivity in the quarter at only 3.95MT/ hectare from 4.21MT/hectare last year. The was due to the infestation of BLB and slight RTV along the Palay Plants especially in Isabela and the destructive effects of typhoons Karen and Niña during the quarter. (Table 14)

Almost all of the region’s provinces posted decreases in terms of productivity with only the province of Quirino posting a positive shift in productivity at 4.10MT/ Hectare in the quarter under review only 3.45MT/Hectare in the same quarter, last year.

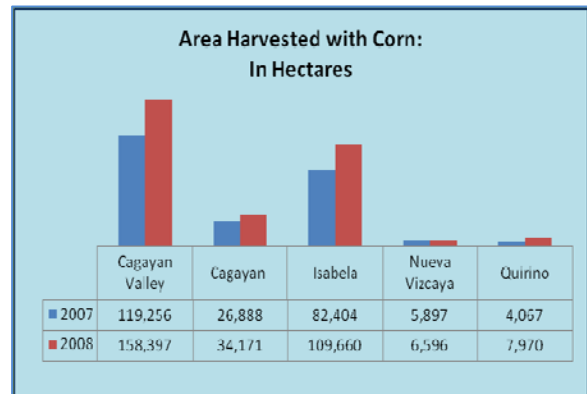


A.2 Corn Production

The region’s reputation as the country’s corn granary was further strengthened in the quarter under review as production reached a total of 561,930MT, or a 47.53 percent increase from last year’s figure of 380,886 MT. Specifically, yellow corn and white corn production posted increases of 49.71 percent and 0.49 percent respectively from their last year’s figure of 364,036MT and 16,850MT. (Table 15)

With Isabela's vast and fertile plains suitable for corn, it remained as the region's top corn producer with a total production of 389,405MT comprising 71.45 of the region's total. The province's production had likewise posted a 45.88 percent increase in production from 272,201 MT produced last year

The increase in production was due to the expansion of areas planted with corn in the quarter under review at 158,397 hectares, reflecting a 32.82 percent increase from 119,256 hectares planted last year. This was due to the early plantings and Movement of Harvest (MOH) done during the quarter as warm weather and intermittent rainfall became more frequent. While all of the region's provinces had reflected increases in area planted, Quirino posted the highest leap at 95.97 percent, from 4,067 hectares in the 3rd quarter of 2007 to 7,970 hectares this year. (Table 16)



The region therefore posted an upbeat trend in terms of productivity at 3.55 MT/Hectare from only 3.19MT/Hectare in the same quarter, last year. The increase in rainfall and the lesser destructive effects of experienced calamities paved the way for almost all of the region's provinces to increase their productivity. The increased usage of hybrid seeds especially on yellow corn had placed Quirino above the other provinces at 4.12MT/Ha from only 2.15MT/Ha in the same quarter, last year. Specifically, Cagayan, Isabela and Nueva Vizcaya posted productivity rates of 3.12MT/Ha, 3.62MT/Ha and 3.86MT/Ha respectively in the quarter. (Table 17)

A.3 High- Value Commercial Crops

Amidst the destructive effects wrought by Typhoon Karen in the quarter especially in the province of Cagayan, the region's High-Value Commercial Crops (HVCCs) were more resilient as shown in the steady production along our major crops namely; banana, calamansi, mango, pineapple, mongo, eggplant and cassava. The rainfall and rain showers experienced during the quarter contributed to the increase in production. (Table 18)

Specifically, the achievements along our major HVCCs are described in the following:

- Banana – despite a drop in Cagayan's production, the regional output still posted a 3.13 percent increase from last year's figure of 78,193.35MT attributed mainly to the less weather disturbance in the province of Isabela, the region's top banana producer.
- Calamansi – production reflected a 5.58 percent increase from last year's figure of 2,074.39MT.
- Mango – production reflected a 67.25 percent from 369.81 MT in 2007.
- Pineapple – production reflected a 17.81 percent increase over last year's figure of 7,834.71MT in 2007.
- Mongo – production posted a 58.87 percent from last year's figure of 190.73 MT.

- Eggplant – with the four provinces displaying uptrends, total production reflected a 4.40 percent from last year’s figure of 3,039.30MT. The increase can be further attributed to the use of high yielding variety seeds.
- Cassava – the 212.18 percent increase along Isabela’s production cushioned the decreases of 21.61 percent and 0.41 percent along Cagayan and Nueva Vizcaya’s production respectively. Total production now reached 4,185.05MT or a 175.06 percent increase from last year’s figure of 1,521.50MT.

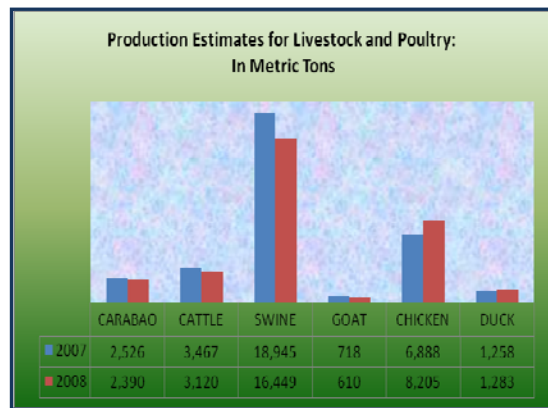
While these crops registered increases, some of our crops namely Tomato, Peanut and Camote reflected decreases in production this quarter.

- Tomato –aside from the negative impacts of typhoon Karen , the shift of some farmers to peanut cropping declined tomato production by 1.36 percent from 876.53MT last year.
- Peanut – Despite the shift of some tomato farmers into peanut cropping, total production reflected a 9.80 percent decline from last year’s figure of 664.88MT. This is due to the dry spell, especially in Cagayan, which affected the peanut plants during the pegging stage.
- Camote – with the shift of some camote farmers into cassava cropping, total production posted a 9.20 percent decline from last year’s figure of 840.42MT.

A.4 Livestock and Poultry

The quarter exhibited wanting levels in livestock production with the region’s major livestock reflecting downtrends. As shown by the figures gathered from the region’s abattoirs, the region’s major livestock namely; carabao, cattle, swine and goat posted downtrends.

Cattle production reflected a 10.01 percent decline from last year’s figure of 3,467MT as the low beef demand brought about by the higher prices discouraged production. Likewise, carabao,



swine and goat production posted decreases of 5.38 percent, 13.17 percent and 15.04 percent respectively from their figures of 2,526MT, 18,945 MT and 718 MT in 2007. These decreases are attributed to lesser slaughtering activities brought about by decreasing inventories. (Table 19)

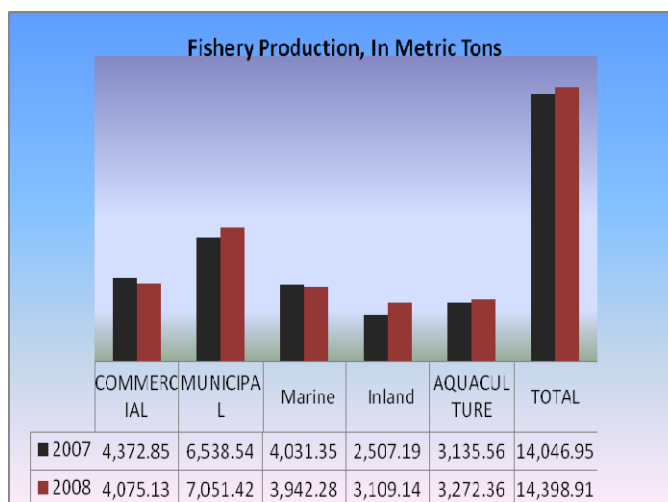
Meanwhile, production along poultry was on the uptrend as shown in the increases along chicken and duck. With the establishment of new commercial farms and the availability of chicks, chicken production reflected a 19.12 percent increase from

last year’s figure of 6,888MT. This came mainly from broilers at 5,314MT comprising 64.77 percent of the total chicken production. Likewise, duck production reflected an increase of 1.99 percent from its last year’s figure of 1,258MT due to the increase in demand which have encouraged more dressings and production as well.

B. Municipal Fishing Held Fishery on Float

The region's fishery sub-sector fared well in the quarter under review in response to the development efforts of key stakeholders. Total production reached 14,398.91MT reflecting a 2.51 percent increase over last year's figure of 14,046.95MT. (Table 20)

The Municipal Fishery Sector led the charge with 7,051.42 MT comprising 48.97 percent of the region's total. Production in the sector also reflected a 7.84 percent increase from 6,538.54MT in the same quarter last year. Of the areas forming our Municipal Fishery Sector namely; marine and inland waters, the latter was more productive during the quarter with a 24.01 percent increase. This increase was due to the continuous seeding dispersal program of BFAR in the region's communal bodies of water. Moreover, favorable weather and higher fish prices had encouraged more production among the region's fisher folks. On the other hand, production from marine waters declined by 2.21 percent from 4,031.35MT in 2007. The decline was due to the lesser fishing operations brought about by the frequent typhoons during the quarter.



Furthermore, production from aquaculture was on the uptrend with a 4.36 percent increase from last year's figure of 3,135.56MT. With the availability of quality fingerlings from BFAR, more areas were developed for aquaculture and some in-fallow cages were re-activated.

The gains in both Aquaculture and Municipal Fishery Sector cushioned the slumping performance of the region's Commercial Fishery Sector. Production in the sector reflected a 6.81 percent decline from 4,372.85MT in the same quarter, last year. The decrease is due to the lesser fishing activities brought about by the high cost of fuel and the unfavorable weather conditions. Moreover, some commercial fishing vessels were reduced in size due to the scarcity of timber needed for their repairs. This in turn, converted their fishing operations from commercial fishing to municipal fishing.

C. Construction Propelled Quarrying Activities

Gravel and Sand production reached 230,031.9 cu.m reflecting a 93.5 percent increase. This was due to the increase in demand for the commodity as more construction activities were taken in the region. Likewise, production of Boulders and Manganese had reached 3,662cu.m and 1,625cu.m respectively in the quarter. (Table 21)

Meanwhile, production of pebbles dropped to 150cu.m. in the quarter from 445 cu.m in 2007 due to the decrease in demand. No production of Guano was recorded in the quarter from a 198 cu.m

production in 2007. These minerals are vulnerable to price changes which controls their quantity demanded.

D. Transportation Services Gain Momentum

Trade, commerce and tourism require much use of the transport services. In turn, more motor vehicles were registered and air transport services were expanded with the increase in economic activities.

D.1 Land Transport

Land Transportation services showed gains in the quarter as can be seen in the rise of motor vehicle registration at a total of 61, 508, or an increase of 7.45 percent over last year's figure of 57,245. Most of the registered vehicles were privately owned at a total of 43,146 comprising 70.15 percent of the total registered vehicles. This class of vehicles also reflected an increase of 11.38 percent over its last year's figure of 38,739. It can be gleaned that the region's populace have realized the importance of owning vehicles to facilitate their mobility in school, workplace and businesses. Meanwhile, registered vehicles for hire and government vehicles marked at 17,618 and 744 respectively comprising percentage shares of 28.64 percent and 1.21 percent of the region's total. (Table 22)

While progress and development call for improvement in lifestyle, still motorcycles and tricycles remained on top of the region's transportation media. Registered motorcycle and tricycles posted at 38,369 comprising 62.38 percent of the total registered vehicles. It also reflected an increase of 8.74 percent over its last year's figure of 35,286. The boom of motorcycle and tricycle in the region was attributed to their low fuel consumption, perceived by motorists and drivers as a more practical and a more economical recourse amidst the increasing fuel prices. Moreover, their low acquisition price and the attractive promotion and payment schemes of motorcycle and tricycle dealers encouraged more purchases of these vehicles. Likewise, with the influx of slightly used vehicles offered at low prices in the CSEZFP, cars, utility vehicles (UV) and sports utility vehicles (SUV) posted increases of 2.16 percent, 7.08 percent and 50.21 percent respectively in the quarter. (Table 22)

Meanwhile, registered buses and trucks posted declines of 20.76 percent and 4.66 percent respectively, from their figures of 342 and 4,314 in the 3rd quarter of 2007. This can be attributed to the decline in the commuters using Public Utility Vehicles (PUVs) as the acquisition and use of privately owned vehicles became a major transportation trend.

This increasing registration of vehicles as a result of the vigilance of land transportation offices in the region contributed to a higher revenue collection in the quarter at Php 97.423 Million or an 11.27 percent increase from last year's collection of Php 87.553 Million. The LTO's Tuguegarao District Office led the different districts and extensions in terms of revenue collections at Php 12.317 Million and reflecting a 11.64 percent increase from the DO's collection of Php 11.033 Million in the 3rd quarter of 2007. However, Aparri District Office recorded the highest leap in revenue collection with a 69.67 percent increase, from Php 6.95 Million in the 3rd quarter of 2007. (Table 23)

D.2 Air Transport

The region's air transport services were well-provided during the quarter as the number of flights had increased from 835 in 2007 to 915 in the quarter under review, reflecting a 9.58 percent increase. However, this increase in the number of flights did not redound to a higher number of passengers utilizing the region's flights. Passenger arrivals declined by 23.52 percent from a total of 11,407 last year. Likewise, passenger departures reflected a 20.23 percent decline from its figure of 11,190 in last year. (Table 24)

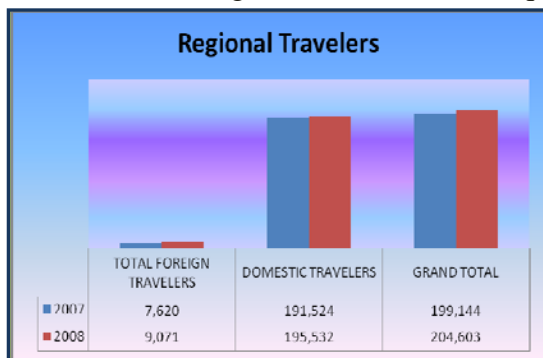
Moreover, air transport services were not fully utilized in the transport of cargoes coming in the region as it dropped by 33.71 percent from its figure of 161,969.76 tons, last year. However, cargoes coming out of the region had increased by 3.17 percent from 103,016.50 tons in 2007.

The conflicting trend between number of flights and passenger and cargo movement was the product of significant changes in the region's air transportation setting. The increase in airfare brought about by the rapid rise of fuel prices had discouraged passenger and cargo movement. It is also worth noting that, some of the regional flights such as the Macau and Xiamen flights had fixed flight schedules in which they follow regardless of the lesser passengers on board. Moreover, smaller aircrafts were used this year as compared to last year. The "Airbus 320" of Air Philippines which can carry more passengers was no longer used in the quarter under review.

Being located in the capital city of the region, the Tuguegarao City airport recorded the most flights in the quarter at 358 or a 78.11 percent increase from the 201 flights recorded in the same quarter, last year. However, the services of the airport were not fully availed of in the quarter as shown in the 47.1 percent decline in the number of passenger arrivals and the 52.35 percent decline in the number of passenger departures.

E. Domestic Visitors Dominate Tourist Arrivals

Tourism in the region flourished in the quarter under review with a total tourists arrivals of 204,603, reflecting a 2.74 percent increase over last year's figure of 199,144. Most of the region's tourists were domestic travelers at 195,532 comprising 95.57 percent of the region's total. Arrivals from this group reflected a 2.09 percent increase from last year's figure of 191,524.

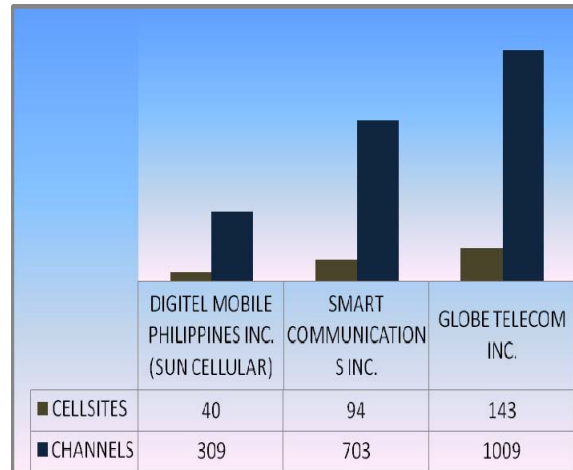


(Table 25)

Foreign visitors on the other hand reached 7,571 reflecting a 23.59 percent increase over last year's figure of 6,126. Most of these visitors came from East Asian Countries (China, Hong Kong, Japan, Korea and Taiwan) at 5,104 reflecting a 48.63 percent from last year's figure of 3,434. Tourists arrivals from China alone recorded a 199.63 percent increase from last year's figure of 1,068. This increase in our Chinese visitors can be attributed to the region's Macau-Tuguegarao Flights and the Xiamen- Tuguegarao Chartered flights spearheaded by CEZA.

F. Fair Competition Kindled Communication Boom

Attached to modernization, changes and improvement in clientele demand had continuously been the factor of innovations, competition and growth in the mobile telecommunication industry. The quarter under review marked a boom in the telecommunication industry with total cellsites reaching 277. This in turn, provided a total of 2,021 channels to cater the region’s mobile telecommunication needs. With the strong competition in the industry, the region’s service providers namely; Globe Telecom, Smart Communications and Digitel Mobile (Sun Cellular) had continuously expanded their services and had adopted messaging and call schemes to provide affordable and quality services to their clienteles. (Table 26)



Globe Telecom Inc. led the telecommunication industry in the region with 143 sites scattered regionwide, 66 of which were established in the province of Cagayan. In effect, the company provided a total of 1009 channels to increase the frequency needs of its subscribers. Meanwhile, Smart Communications and Sun Cellular sustained the healthy competition with their own site and subscriber expansion. During the quarter, Smart Telecommunications had a total of 94 sites with a total 703 channels while Digitel Mobile (Sun Cellular) had a total of 40 sites with a total of 309 channels.

G. Modernization Prompted Power Generation

The rapid improvements along people’s lifestyle created a positive shift in their power demand. This prompted electric cooperatives to purchase higher volume of electricity from power generators this year. As can be reflected from the increase in power sold, the region’s population consumed a higher volume of electricity this year which signifies modernization and improvement in their lifestyle. (Refer to Table 27 for details)

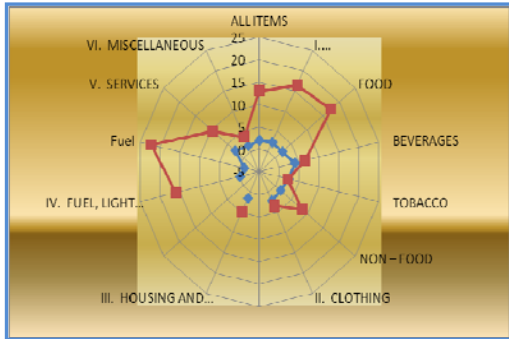
Have the People Realized Growth?

The growth in the key sectors is expected to rebound to the benefit of the people especially in slowing down inflation. However, the good performance of the various sectors did not correspond to lower prices especially on food items. The following sub-section discusses in detail the regional standing in the quarter under review.

Inflation Zoomed

Cost of living was more expensive in the quarter under review vis-à-vis last year. As of September of this year, the price of an average consumer basket of goods and commodities (CPI)

reached 155.0 from only 137 last year. This is attributable to the drastic leap along food and fuel prices which are the subject of the continuing government's programs on food and energy security. Specifically, an average consumer had to spend PHP159.10 for his food baskets and Php199.3 for his fuel, light and water basket (Php 228.50 for fuel alone).



While the increases in the prices of commodities are quite predictable with the weakening of the peso and the increasing demand on items especially on food and fuel, the rate of the increase known as inflation was alarming at the end of the quarter. Prices of

commodities had soared faster with headline inflation (inflation on all items) reaching 13.1 from only 2.0 in September of 2007 attributable to the strong effect of fuel price on prices of other commodities. Inflation on fuel marked at 22.2 percent this month from a positive deflation of 1.2 percent in the same month of last year. This in turn corresponded to a brisk inflation on other goods and services especially those which are heavily dependent on fuel such as transportation and communication and the production of food products. Specifically, inflation on transportation and communication reached 15.3 percent as compared to last year's figure of 0.53 percent. (Table 28)

Meanwhile, the sky-rocketing prices of food products further increased inflation on food to 17.4 percent compared to only 2.2 in September of 2007. Despite the region's comparative advantage in terms of rice and corn, the goods were made costly for the region's people as lesser supply of commodities were recorded in the market. Inflation on rice, corn and cereals reached 34.2 percent, 13.7 percent and 33.3 percent respectively this month vis-à-vis their figures of 4.8percent, 3.1 percent and 4.2 percent in September of 2007. The increase in rice and corn production did not rebound to a relatively stable price for the region's consumption (refer to the discussions on production).

III. The 4th Quarter in Prospect

With the government and key stakeholders pushing reforms and programs to accomplish their targets for the year 2008, the remaining quarter of the year will be committed in increasing production and productivity among the sectors, absorption of more workers, promotion of investments and infrastructure improvement. This in turn will lead to anticipated gains for the 4th quarter.

- With the Christmas season, more economic activities are perceived especially on trading and services. Business firms and establishments are expected to hire additional manpower and are expected to produce more of their products in order to meet increases in quantity demanded for their products and services during the Christmas Season.
- More investors are expected to invest especially on areas of food processing and manufacturing. This quarter is deemed more profitable due to the rising quantity demand brought about by the Christmas season.
- Number of tourist arrivals, especially “balikbayans” will increase as this is the best time of the year for family re-unions and visits. OFWs and migrants are known to celebrate Christmas with their family in the country. Hence, economic activities are also expected to increase especially in tourism and transportation.
- The establishment and operation of Bank of Accord, a thrift bank, in Tuguegarao City will widen the region’s financial capabilities especially on the provision of short-term working capital and medium- and long-term financing to businesses engaged in agriculture, services, industry and housing, and to small and medium enterprises as well.
- With the shaping of the Information Communications Technology (ICT) Industry in the province of Cagayan thru the creation of the Cagayan Development Foundation for Information Technology (CADF-IT), the region poses positive gains in its “Offshore and Outsourcing Industries”. In turn, the region’s workforce, especially IT experts and graduates, will be given employment opportunities in the succeeding quarters.
- The ongoing mining explorations conducted by MTL Philippines at Brgy. Runruno, Quezon, Nueva Vizcaya is anticipated to contribute substantial gains in the mining industry not only in the next quarter but in the succeeding years as well. This can likewise be a venue for regional employment.

TABLES

Table 1
Number of Banks, Cagayan Valley
June, 2007 vs. June 2008

	June 2008	% Share	June 2007	% Share	Growth Rate
Region 02	242	100.00%	236	100.00%	2.54%
BATANES	3	1.24%	3	1.27%	0.00%
CAGAYAN	54	22.31%	56	23.73%	-3.57%
ISABELA	126	52.07%	121	51.27%	4.13%
NUEVA VIZCAYA	48	19.83%	45	19.07%	6.67%
QUIRINO	11	4.55%	11	4.66%	0.00%

Source: BSP

Table 2
Provincial Distribution of Loan Portfolio: Region 2
As of June, 2007 and 2008

Province	June 2008	% Share	June 2007	% Share	Growth Rate
II – Cagayan Valley	13,374	100.00%	11,657	100.00%	14.72%
BATANES	19	0.14%	19	0.16%	0.00%
CAGAYAN	3,335	24.94%	3,012	25.84%	10.72%
ISABELA	8,119	60.71%	6,945	59.58%	16.90%
NUEVA VIZCAYA	1,489	11.13%	1,330	11.41%	11.95%
QUIRINO	412	3.08%	352	3.02%	17.05%

Source: BSP

Table 3
LBP Outstanding Loans, As of September 30, 2007 and 2008
By Province: In Million Pesos

PROVINCES	As of September 30, 2007		As of September 30, 2008		Growth Rate
	Outstanding Loans	% SHARE	Outstanding Loans	% SHARE	Rate(%)
Batanes	71.699	2.06%	81.073	1.92%	13.07%
Cagayan	658.403	18.89%	877.925	20.76%	33.34%
Isabela	2,263.647	64.94%	2,588.533	61.21%	14.35%
Nueva Vizcaya	336.162	9.64%	492.844	11.65%	46.61%
Quirino	155.887	4.47%	188.730	4.46%	21.07%
Continuation Table 3					
Total Region 2	3,485.798	100.00%	4,229.105	100.00%	21.32%

Source: LBP-RMC, Cagayan Valley

Table 4
LBP Outstanding Loans, As of September 30, 2007 and 2008
By Purpose: In Million Pesos

LOAN PURPOSE	September 30, 2007		September 30, 2008		Growth
	O/S BALANCE	% SHARE	O/S BALANCE	% SHARE	Rate(%)
Agri-Agra					
a. Loans					
SMEs	1,029.815	29.54%	1,135.728	26.86%	10.28%
LGU Loans	912.104	26.17%	1,029.666	24.35%	12.89%
Small Farmers & Fisherfolks	1,245.780	35.74%	1,707.182	40.37%	37.04%
Livelihood Loans	211.839	6.08%	346.739	8.20%	63.68%
Sub - Total	3,399.538	97.53%	4,219.315	99.77%	24.11%
Non-Agri-					
b. Agra Loans					
LGU Loans	73.966	2.12%	8.783	0.21%	-88.13%
GOCCs	7.842	0.22%	-	0.00%	-100.00%
Others	4.452	0.13%	1.007	0.02%	-77.38%
Sub - Total	86.260	2.47%	9.790	0.23%	-88.65%
REGION TOTAL	3,485.798	100.00%	4,229.105	100.00%	21.32%

Source: LBP-RMC, Cagayan Valley

Table 5
Registered Enterprises at CSEZFP By Nature of Business
As of September 30, 2008

Activity	No. of Locators	Employment Creation /Generated	Actual Capital Investment (PhP)	Projected Capital Investment (PhP)	Status
Importation and Trading of Used Vehicles	1	17	8,309,475	49,600,000	1
Trading of Used Vehicles	9	378	76,490,338	252,760,000	7
Interactive Gaming	1	69	361,654,736	3,761,654,736	1
Interactive Gaming Support	41	4081	2,572,696,913	6,891,619,482	32

Services/Service Provider					
Tourism and Resort Services	2	21	29,133,457	30,250,000	2
Aviation Service/Air Charter Services	1	3	400,000	361,500,000	Start up
Helicopter Charter Service	1	15	41,936,000	126,064,000	Provisional
Software Development, Technical and Customer Support	1	9	1,107,250	361,000	Start up
Processing and exportation of sand, gravel, armored rocks, and limestone	2	47	134,597,412	141,690,000	Start up
Mining and Quarrying	4	202	484,941,467	266,502,000	Start up(1 provisional)
Construction	1	545	47,872,910	5,000,000	1
Telecommunications Provider	1	15	120,000,000	120,000,000	1
International Fishing	1	20	190,394,246	320,000,000	1
Management Services	1	5	7,198,388	7,198,388	1
<i>Continuation Table 5</i>					
Leisure Facilities Operation	3	28	6,865,103	6,865,103	2(1 start up)
Real Estate	6	38	192,161,813	192,161,813	Start up
Agro-industrial	1	192	75,000,000	75,000,000	Start up
Banking	2	13	10,150,000	10,150,000	Start up
Port Operations	1	30	200,000,000	3,750,000,000	Start up
TOTAL	80	5728	4,580,909,508	16,431,734,022	49 (operational)

Source: CEZA

Table 6
Enterprises Update ending September 30, 2008

Type of Activity	Employment Generated (Initial)	Initial Capital Investment (PhP)	Operational
Interactive Gaming Support Services	6	358,000	Start-Up
Trading of Used Vehicles	100	32,200,000	Start-Up
Leisure Facilities Operation	13	625,000	Start-Up
Real Estate	38	192,161,813	Start-Up
Banking	13	10,150,000	Start-Up
Agro-Industrial	192	75,000,000	Start-Up
TOTAL	362	310,494,813	

Source: CEZA

Table 7
Registered Investments Thru Business Name Registration (BNR)
By Type of Industry
Region 02, 3rd Quarter 2007 and 2008

TYPE OF INDUSTRY	2007	2008	% Change
	(in Million Pesos)		
Manufacturing	21.196	32.434	53%
Agri-Based Production	29.383	18.480	(37%)
Construction	87.478	20.200	77%
Trading and Services	449.695	628.894	40%
TOTAL	588.022	700.009	19%

Note: Details may not add up to totals due to rounding

Source: DTI, Region 02

Table 8
Registered Investments Thru Business Name Registration (BNR) by Province
Region 02, 3rd Quarter 2008

Province	Investment	% Share
Batanes	1,015,000	0.14%
Cagayan	269,339,089	38.48%
Isabela	333,612,119	47.66%
Nueva Vizcaya	79,627,444	11.38%
Quirino	16,415,000	2.34%
Total	700,008,652	100%

Source: DTI, Region 02

Table 9
Employment Thru Business Name Registration (BNR)
By Type of Industry
Region 02, 3rd Quarter 2008

Industry	Employment	% Share
Manufacturing	421	9%
Agri-Based Production	66	1%
Construction	101	2%
Trading and Services	4,312	88%
TOTAL	4,900	100%

Note: Details may not add up to total due to rounding
Source: DTI, Region 02

Table 10
Number of Firms Registered
Region 2: 3rd Quarter, 2008

Industry	Batanes	Cagayan	Isabela	N.Vizcaya	Quirino	Total
Manufacturing		34	51	28	4	117
Agri-Based Production		3	6	6	1	16
Construction		3	7		1	11
Trading	7	345	484	100	18	954
Services	3	191	262	107	8	571
TOTAL	10	576	810	241	32	1,669

Source: DTI-RO2

Table 11
Employment Performance
Region 02, July LFS 2007-2008

	2007	2008	Inc/(Dec) %
15 yrs. Old and over ('000)	2,055	2,102	2.29
Not in the Labor Force ('000)	661	699	5.75
In the Labor Force ('000)	1,394	1,403	0.65
LFPR (%)	67.8	66.8	(1.5)
Employed ('000)	1342.4	1362.3	1.5
Employment Rate(%)	96.3	97.1	0.83
Unemployed ('000)	51.6	40.7	(21.12)
Unemployment Rate (%)	3.7	2.9	(21.62)
Continuation Table 11			
Underemployment ('000)	221.5	246.6	11.33
Underemployment Rate(%)	16.5	18.1	9.7

Source: NSO Region II

** details may not add up to totals due to rounding*

Table 12
Palay Production (In Metric Tons)
3rd Quarter, 2007 and 3rd Quarter, 2008

Province	Irrigated		Rainfed		Total		% Change
	3rd quarter						
	2007	2008	2007	2008	2007	2008	
Cagayan Valley	419,692	512,166	3,999	12,040	423,691	524,206	23.72
Cagayan	53,345	92,904	391	5,921	53,736	98,825	83.91
Isabela	300,626	350,667	3,608	5,500	304,234	356,167	17.07
Nueva Vizcaya	57,646	57,737	-	479	57,646	58,216	0.99
Quirino	8,075	10,858	-	140	8,075	10,998	36.20

Source: BAS-RO2

Table 13
Palay Area Harvested (In Hectares)
3rd Quarter, 2007 and 3rd Quarter, 2008

Province	Irrigated		Rainfed		Total		% Change
	3rd quarter						
	2007	2008	2007	2008	2007	2008	
Cagayan Valley	98,907	127,960	1,767	4,744	100,674	132,704	31.82
Cagayan	13,310	24,643	225	2,542	13,535	27,185	100.85
Isabela	69,725	87,132	1,542	2,002	71,267	89,134	25.07
Nueva Vizcaya	13,532	13,552	-	150	13,532	13,702	1.26
Quirino	2,340	2,633	-	50	2,340	2,683	14.66

Source: BAS-RO2

Table 14
Palay Yield per Hectare (MT/Ha)
3rd Quarter, 2007 and 3rd Quarter, 2008

Province	Irrigated		Rainfed		Total		Difference
	3rd quarter						
	2007	2008	2007	2008	2007	2008	
Cagayan Valley	4.24	4.00	2.26	2.54	4.21	3.95	-0.26
Cagayan	4.01	3.77	1.74	2.33	3.97	3.64	-0.33
Isabela	4.31	4.02	2.34	2.75	4.27	4.00	-0.27
Nueva Vizcaya	4.26	4.26	-	3.19	4.26	4.25	-0.01
Quirino	3.45	4.12	-	2.80	3.45	4.10	0.65

Source: BAS-RO2

Table 15
Corn Production (In Metric Tons)
3rd Quarter, 2007 and 3rd Quarter, 2008

Province	White		Yellow		Total		% Change
	3rd quarter						
	2007	2008	2007	2008	2007	2008	
Cagayan Valley	16,850	16,934	364,036	544,996	380,886	561,930	47.53
Cagayan	7,643	7,237	71,816	99,289	79,459	106,526	34.06
Isabela	7,237	7,685	264,964	389,405	272,201	397,090	45.88
Nueva Vizcaya	1,543	1,418	18,919	24,056	20,462	25,474	24.49
Quirino	427	594	8,337	32,246	8,764	32,840	274.71

Source: BAS-RO2

Table 16
Corn Area Harvested (In Hectares)
3rd Quarter, 2007 and 3rd Quarter, 2008

Province	White		Yellow		Total		% Change
	3rd quarter						
	2007	2008	2007	2008	2007	2008	
Cagayan Valley	9,677	8,735	109,579	149,662	119,256	158,397	32.82
Cagayan	6,369	5,242	20,519	28,929	26,888	34,171	27.09
Isabela	2,473	2,706	79,931	106,954	82,404	109,660	33.08
Nueva Vizcaya	610	567	5,287	6,029	5,897	6,596	11.85
Quirino	225	220	3,842	7,750	4,067	7,970	95.97

Table 17
Corn Yield Per Hectare:
3rd Quarter, 2007 and 3rd Quarter, 2008

Province	White		Yellow		Total		Difference
	3rd quarter						
	2007	2008	2007	2008	2007	2008	
Cagayan Valley	1.74	1.94	3.32	3.64	3.19	3.55	0.36
Cagayan	1.20	1.38	3.50	3.43	2.96	3.12	0.16
Isabela	2.93	2.84	3.31	3.64	3.30	3.62	0.32
Nueva Vizcaya	2.53	2.50	3.58	3.99	3.47	3.86	0.39
Quirino	1.90	2.70	2.17	4.16	2.15	4.12	1.97

Source: BAS-RO2

Table 18
Production Estimates for Other Crops(MT)
3rd Quarter, 2007 and 3rd Quarter, 2008

COMMODITY	CAGAYAN VALLEY		% change
	2007	2008	
BANANA	78,193.35	80,642.98	3.13
Cagayan	11,911.90	8,175.27	(31.37)
Isabela	48,912.95	50,556.91	3.36
Nueva Vizcaya	4,754.00	4,768.00	0.29
Quirino	12,614.50	17,142.80	35.90
CALAMANSI	2,074.39	2,190.24	5.58
Cagayan	375.95	320.65	(14.71)
Isabela	1,538.92	1,699.27	10.42
Nueva Vizcaya	62.52	65.00	3.97
Quirino	97.00	105.32	8.58
MANGO	369.81	618.49	67.25
Cagayan	363.81	357.24	(1.81)
Isabela	-	-	
Nueva Vizcaya	6.00	-	(100.00)
Quirino	-	261.25	
Continuation of Table 18			
PINEAPPLE	7,834.71	9,230.01	17.81
Cagayan	2,599.85	2,843.85	9.39
Isabela	3,190.46	4,331.36	35.76
Nueva Vizcaya	2,006.00	2,010.00	0.20
Quirino	38.40	44.80	16.67
MONGO	190.73	303.01	58.87
Cagayan	178.73	293.10	63.99
Isabela	6.25	3.66	(41.44)
Nueva Vizcaya	-	-	

Quirino	5.75	6.25	8.70
PEANUT	664.88	599.71	(9.80)
Cagayan	396.56	328.45	(17.18)
Isabela	52.32	53.76	2.75
Nueva Vizcaya	210.00	211.00	0.48
Quirino	6.00	6.50	8.33
CABBAGE	320.58	321.88	0.41
Cagayan	-	-	
Isabela	9.58	8.88	(7.31)
Nueva Vizcaya	311.00	313.00	0.64
Quirino	-	-	
EGGPLANT	3,039.30	3,172.92	4.40
Cagayan	386.95	415.31	7.33
Isabela	1,245.35	1,344.11	7.93
Nueva Vizcaya	1,295.00	1,298.00	0.23
Quirino	112.00	115.50	3.13
TOMATO	876.53	864.57	(1.36)
Cagayan	5.63	5.17	(8.17)
Continuation of Table 18			
Isabela	58.65	44.70	(23.79)
Nueva Vizcaya	809.00	810.00	0.12
Quirino	3.25	4.70	44.62
GARLIC			
Cagayan	-	-	
Isabela	-	-	
Nueva Vizcaya	-	-	
Quirino	-	-	
ONION	32.85	33.88	3.14
Cagayan	-	-	
Isabela	2.85	2.88	1.05

Nueva Vizcaya	30.00	31.00	3.33
Quirino	-	-	
CAMOTE	840.42	763.13	(9.20)
Cagayan	-	-	
Isabela	325.42	251.63	(22.68)
Nueva Vizcaya	500.00	495.00	(1.00)
Quirino	15.00	16.50	10.00
CASSAVA	1,521.50	4,185.05	175.06
Cagayan	14.25	11.17	(21.61)
Isabela	1,257.25	3,924.88	212.18
Nueva Vizcaya	250.00	249.00	(0.40)
Quirino	-	-	

Source: BAS-R02

Table 19
Production Estimates for Livestock and Poultry (In Metric Tons)
3rd Quarter, 2007 and 3rd Quarter, 2008

COMMODITY	3rd quarter		% change
	2007	2008	
CARABAO	2,526	2,390	(5.38)
CATTLE	3,467	3,120	(10.01)
SWINE	18,945	16,449	(13.17)
GOAT	718	610	(15.04)
<i>Continuation of Table 19</i>			
CHICKEN	6,888	8,205	19.12
Broilers	3,971	5,314	33.82
Layers	43	36	(16.28)
Native/Improved	2,861	2,757	(3.64)
Other Chicken	13	98	653.85
DUCK	1,258	1,283	1.99

Source: BAS-R02

Table 20
Fishery Production (In Metric Tons)
Region 2: 3rd Quarter, 2007 and 3rd Quarter, 2008

COMMODITY	CAGAYAN VALLEY		% CHANGE
	2008	2007	
COMMERCIAL	4,075.13	4,372.85	(6.81)
Cagayan	4075.13	4372.85	(6.81)
MUNICIPAL	7,051.42	6,538.54	7.84
<i>Marine</i>	3,942.28	4,031.35	(2.21)
Cagayan	3774.45	3823.5	(1.28)
Isabela	152.74	140.15	8.98
Batanes	15.09	67.7	(77.71)
<i>Inland</i>	3,109.14	2,507.19	24.01
Cagayan	2,185.60	1593.42	37.16
Isabela	660.74	698.80	(5.45)
Nueva Vizcaya	196.42	164.58	19.35
Quirino	66.38	50.39	31.73
AQUACULTURE	3,272.36	3,135.56	4.36
Cagayan	1252.66	1357.47	(7.72)
Isabela	1511.07	1,380.20	9.48
Nueva Vizcaya	422.83	320.12	32.08
Quirino	85.80	77.77	10.33
TOTAL	14,398.91	14,046.95	2.51

Source: BFAR-RO2

Table 21
Metallic and Non-Metallic Production
Region 2: 3rd Quarter, 2007 and 3rd Quarter, 2008

COMMODITY	PRODUCTION (cu.m)		% change
	3 rd Qtr, 2007	3 rd Qtr, 2008	
SAND & GRAVEL(cu.m.)	118,880.77	230,031.90	93.5%
PEBBLES(cu.m.)	445	150	(66.29)
BOULDERS (cu.m.)	-	3,662	-
GUANO	198	-	-
MANGANESE	475	1,625	-

Source:MGB-RO2

Table 22
Number of Motor Vehicles Registered By Classification
3rd Quarter, 2008

CLASSIFICATION	TYPE OF VEHICLE							Total
	Car	Utility Vehicle	Sport Utility Vehicle	Truck	Bus	MC/TC	Trailers	
Private								
2007	2,708	11,096	922	3,753	51	19,680	529	38,739
2008	2,756	11,994	1,364	3,822	34	22,641	535	43,146
Government								
2007	18	403	22	197	6	158	5	809
2008	29	380	54	113	22	145	1	744
For Hire								
2007	0	1,558	0	364	285	15,448	42	17,697
2008	0	1,607	0	178	215	15,583	35	17,618
TOTAL								
2007	2,726	13,057	944	4,314	342	35,286	576	57,245
2008	2,785	13,981	1,418	4,113	271	38,369	571	61,508

Source: LTO-R02

Table 23
Amount of Revenue Collections, Region 02,
3rd Quarter 2007 and 3rd Quarter -2008

District/Extension Office	2007	2008	% Inc./ (Dec)
Aparri D.O	6,954,267	11,799,382	69.67
Aritao E.O.	1,948,241	1,895,064	(2.73)
Basco D.O.	457,165	514,976	12.65
Bayombong D.O.	10,237,840	10,395,222	1.54
Cabagan E.O.	1,638,821	1,825,939	11.42
Cabarroquis D.O.	1,757,570	2,214,905	26.02
Cauayan E.O.	8,969,150	10,647,749	18.72
Gattaran E.O.	2,945,495	2,063,158	(29.96)
Iligan D.O.	7,079,191	6,813,155	(3.76)
Tuao E.O.	3,370,616	2,920,295	(13.36)
Roxas D.O.	7,068,968	8,761,029	23.94
Sanchez Mira E.O.	2,157,295	2,680,009	24.23
San Isidro D.O.	9,481,949	10,250,419	8.10
Santiago E. O.	8,863,066	8,658,912	(2.0)
Tuguegarao Lic.	1,634,200	1,472,970	(9.87)
Tuguegarao D.O	11,033,364	12,317,825	11.64
Operations Division	1,821,240	2,129,886	16.95
E-Patrol	134,997	35,710	(73.55)
TOTAL	97,423,604	87,553,433	11.27%

Source: LTO, Region 02

Table 24
Aircraft Movement
Region 2: 3rd Quarter, 2007 and 3rd Quarter, 2008

AIRPORT	NO. OF FLIGHTS		Pax In		Pax Out		Cargo In		Gargo Out	
	3Q,07	3Q,08	3Q,07	3Q,08	3Q,07	3Q,08	3Q,07	3Q,08	3Q,07	3Q,08
<i>Palanan</i>	252	-	498	-	438	-	15,107	-	9,692	-
<i>Itbayat</i>	10	52	62	326	73	306	350	1,855	420	1,805
<i>Bagabag</i>	27	71	26	290	21	270	552	9,540	1,962	5,146
<i>Basco</i>	112	189	1664	2,449	1,693	3,031	51,404	58,119	25,868	44,481
<i>Tuguegarao</i>	201	358	8508	4,501	8,262	3,937	79,292	21,739	51,750	40,443
<i>Cauayan</i>	233	245	649	1,158	703	1,382	15,265	18,113	13,325	14,405
TOTAL	835	915	11,407	8,724	11,190	8,926	161,970	107,366	103,017	106,280.20

Source: ATO – Northern Luzon Area

Table 25
Distribution of Regional Travelers
Region 2: 3rd Quarter, 2007 and 3rd Quarter, 2008

Country of Residence	3 rd Quarter, 07	3 rd Quarter, 08	% Change
Asean	173	478	176.30%
East Asia	3,434	5,104	48.63%
South Asia	205	195	(4.88%)
North America	1,405	1,022	(27.26%)
Oceania	378	296	(21.69%)
Europe	528	472	(10.61%)
Middle East	3	4	33.33%
Others/Balikbayans	1,494	1,500	0.40%
TOTAL FOREIGN TRAVELERS	7,620	9,071	19.04%
DOMESTIC TRAVELERS	191,524	195,532	2.09%
GRAND TOTAL	199,144	204,603	2.74%

Source: DOT-RO2

Table 26
Number of Cell-Sites and Total Channels
Cagayan Valley, 3rd Quarter, 2008

PROVINCE	COMPANY/SERVICE PROVIDER					
	DIGITEL MOBILE PHILIPPINES INC. (SUN CELLULAR)		SMART COMMUNICATIONS INC.		GLOBE TELECOM INC.	
	CELLSITES	CHANNELS	CELLSITES	CHANNELS	CELLSITES	CHANNELS
CAGAYAN	8	60	32	216	66	487
ISABELA	19	155	37	323	44	324
NUEVA VIZCAYA	13	94	21	135	20	119
QUIRINO	-	-	3	23	7	48
BATANES	-	-	1	6	6	31
TOTAL	40	309	94	703	143	1009

Source: NTC-RO2

Table 27
Power Generated and Power Sold
Region 2: 3rd Quarter, CY 2007 and 2008

	Kwh Purchased/Generated		Kwh Sold	
	2007	2008	2007	2008
Batanes	3,455,101	3,314,550	3,113,859	3,023,223
Cagayan 1	97,818,670	99,066,505	83,756,363	86,062,836
Cagayan 2	53,932,416	56,843,992	44,512,978	47,571,065
Isabela 1 *	161,146,205	121,646,778	135,215,371	104,579,336
Isabela 2	80,038,947	80,236,012	64,363,352	64,824,723
Nueva Viscaya *	57,051,561	36,961,095	45,823,694	30,051,042
Quirino	14,298,345	14,483,758	11,894,866	11,976,604
Total	467,741,245	412,552,690	388,680,483	348,088,829

Note : * Data for 3rd Qtr 2008 : Isabela 1 - as of July; Nueva Viscaya - as of June
Source:NEA

Table 28
Consumer Price Index and
Inflation Rate by Commodity Group (2000=100)
Region 02, As of September, 2007 and 2008

COMMODITY GROUP	CPI		INFLATION RATE (%)	
	2007	2008	2007	2008
ALL ITEMS	137	155.0	2.0	13.1
I. FOOD, BEVERAGES AND TOBACCO	135.3	157.7	2.3	16.5
FOOD	135.5	159.1	2.2	17.4
Cereals and cereal preparation	132.5	172.6	4.2	30.3
Cereals	133.9	178.5	4.8	33.3
Rice	134.3	180.2	4.8	34.2
Corn	124.4	141.4	3.1	13.7
Cereal preparations	126.8	149.4	1.9	17.8
Dairy Products	153.0	177.4	5.3	15.9
Eggs	132.0	147.8	4.8	12.0
Fish	134.8	145.9	4.1	8.2
Fruits and Vegetables	128.0	148.2	(1.1)	15.8
Meat	130.2	148.7	1.3	14.2
Miscellaneous Foods	149.6	164.5	(0.2)	10.0
BEVERAGES	139.9	148.8	3.9	6.4
<i>Continuation of Table 28</i>				
TOBACCO	122.3	124.9	2.3	2.1
NON – FOOD	139.4	151.1	1.6	8.4
II. CLOTHING	119.6	123.7	2.1	3.4
Footwear	124.8	129.9	1.4	4.1
Ready-made Apparel ex. Footwear	117.7	121.4	2.5	3.1
Custom clothes	118.9	124.5	2.4	4.7
III. HOUSING AND REPAIRS	125.1	131.2	1.5	4.9
Minor repairs	131.2	143.8	2.0	9.6
Rentals	124.5	129.9	1.5	4.3
IV. FUEL, LIGHT AND WATER	171.8	199.3	(.12)	16.0
Fuel	187.0	228.5	(1.2)	22.2
Light	153.4	165.2	1.5	7.7
Water	172.8	180.7	0	4.6
V. SERVICES	153.7	168.5	2.6	9.6
Educational	160.9	171.8	6.2	6.8
Medical	128.6	135.7	3.1	5.5
Personal	131.1	134.7	1.4	2.7
Recreational	107.3	109.3	.47	1.9
Transportation and Communication	172.0	198.3	.53	15.3
VI. MISCELLANEOUS	116.0	120.2	1.4	3.6
Household Furnishing and Equipment	107.5	111.1	.37	3.3
Household Operations	119.5	125.6	2.8	5.1
Personal Care and Effects	116.1	120.5	1.3	3.8
Other miscellaneous items	126.3	126.3	0	0

Source: National Statistics Office