

The Regional Economy after the Natural Catastrophe, 3rd Quarter 2011

Sneak Preview

The region's economy during the quarter under review showed resilience from the consecutive occurrence of typhoons which is normally experienced in the region given its geographic location.

Palay and corn production withstood the visiting natural disasters and recorded increases in production by 16.76% and 0.05%, respectively. Meanwhile, Livestock and Poultry overall production showed an 8% increase though some of its commodities experienced a downward movement.

Fish production on the other hand, showed a positive trend with an increase of 7.27%. The increase was supported by good production from aquaculture, municipal and inland fishing.

Meanwhile, high value commercial crops suffered a downtrend in production. On the average, a 9% production reduction was experienced during the quarter due to unprecedented rainfall during the crop's flowering stage.

The volume of registered motor vehicles increased too by about 5% or a total of 78,130 motor vehicles registered for the quarter. Motorcycle, again embodied majority of the registered motor vehicles. In spite of the growth, revenue collection dropped by 9% this quarter.

During the quarter, air transport slowed down by 9.4%. The occurrence of typhoons and heavy downpour during the quarter forced some airlines to cancel its regular flights in the region.

Quarrying in the region went down by about 35% on the average compared to the other commodities being reviewed. The operation of quarrying was greatly affected by consecutive onslaught of typhoons and incessant rain experienced during the quarter.

Business name registration of MSME's went down this quarter by 5% and investments by 36%. But despite the decrease, employment for the business sector increased by 24.62% which was due to business expansions undertaken by existing enterprises.

Loan portfolio from DBP and LBP increased by 6.92% and 4.21%, respectively. Non-Agricultural loans encompassed 90% of DBP loans while 35% of LBP loan releases were intended for agricultural purposes.

For the quarter, Region 2 recorded an employment rate of 97.6%, surpassing the national rate of 92.9%.

Inflation rate went up to 5.4% this quarter which was triggered by the Fuel, Light and Water (FLW) index. Below is a detailed presentation of the region's 3rd quarter economy.

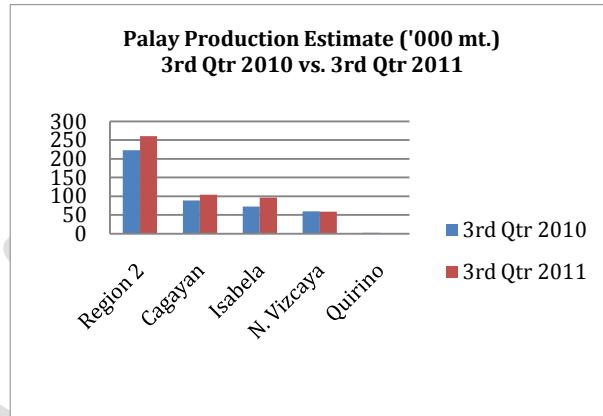


AGRICULTURE AND FISHERY

PALAY

The region's staple food source performed well this quarter compared to last year of same period despite the consecutive typhoons. Total palay production for the quarter

increased by 16.76% as compared to last year of same quarter with 222,781 metric tons. Although, the average yield per hectare slumped by 33% from 4.22 metric tons per hectare in third quarter of 2010 to 3.89 metric tons this quarter, it was stabilized by the increase of area planted which was facilitated by the early release of irrigation water and sufficient rainfall. This also resulted to the movement of harvest time to the third quarter instead of the usual fourth quarter. The



availability of irrigation water prompted farmers to cultivate barren rice fields thus, an increase of 26.74% or an additional of 14,101 hectares this quarter from last year's third quarter of 52,740 hectares. Farm gate price for dried palay also increased from Php15.20 per kilo last year of same quarter to Php16.22 per kilo during the quarter. The increase of selling price was due to sustained demand from millers in and outside the region.

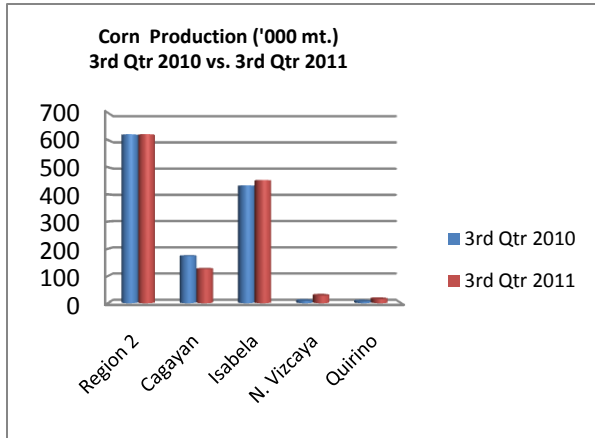
For the quarter under review, the province of Cagayan posted the biggest area of cultivated rice fields with 27,645 hectares or 41% of the total area cultivated during the quarter. Likewise, Cagayan embodied about 40% of the total palay production in the region. Isabela came close with 37% share in production and area planted for this quarter. The province of Quirino remained the least rice producing province with a reduction of 33.58% from last year's 2,338 metric tons of same quarter. The eventual increase of overall rice production in the region despite the occurrence of three typhoons during the quarter was a result of early harvesting activities in anticipation of typhoons. The provinces of Quirino and Nueva Vizcaya though showed a downtrend due to typhoons which came earlier before the harvesting season in these provinces.

CORN

Corn production for the region marked a conservative 0.05% or 332 metric tons increase benchmarking from 2010 data of the same quarter with 620,946 metric tons. The minimal production growth was pulled down by a 27.58% decrease in corn production and a 13% decrease in area harvested in Cagayan due to series of calamities



Feed mill in Isabela



that visited the province. Relentless rainfall can be beneficial in other corn areas situated in higher elevations such as Nueva Vizcaya but was detrimental in Cagayan since many corn areas were situated near the flood plains. Isabela on the other hand, complemented the losses of Cagayan with 452,731 metric tons of corn produced, 4.55% higher compared to 2010's 433,011 metric tons of same quarter. Nueva Vizcaya and Quirino, having been low in rice production performed very well in corn as indicated

by an increase in production of 238% and 136%, respectively compared to third quarter of 2010. Enormous increase in area planted for corn was also recorded in Nueva Vizcaya and Quirino with 223% and 266%, respectively based on 2010 data for the same period. This was facilitated by the early rainfall in the area. Production per hectare of corn decreased by 40% from 4.02 metric tons in 2010 of the same quarter to 3.61 this quarter. The reduction of per hectare production can be attributed to the series of typhoons that visited the region thereby affecting the normal crop production processes. Nonetheless, corn prices remained relatively fair which ranges from Php9.00 to Php11.00 a kilo.

LIVESTOCKS AND POULTRY

Chicken remained the unbeatable meat commodity in the region as manifested by a 20.74% increase in production or an additional 2,230 metric tons from last year's 10,754 metric tons due to availability of more stocks from commercial farms. The operationalization of additional poultry in Nueva Vizcaya further boosted broiler production in the region. Its counterpart, duck, went down by 1.22% from 575 metric tons in 2010 of same quarter to 568 metric tons. The decline can be attributed to decreases in disposition due to lesser inventory.

On large livestock, carabao slaughtering declined by about 4% or 95 metric tons from the 2,355 metric tons in 2010 of same quarter. Meanwhile, cattle slaughtering showed a slight improvement over its third quarter performance in 2010 by 0.86% or a very conservative 27 metric tons increase. Goat slaughtering also declined by 5.91% this quarter from 457 metric tons in the third quarter of 2010 due to increase of its live weight selling price. The decline of carabao and goat meat was cushioned by pork. Swine production increased by 3.23%, from its 2010 production of 15,358 metric tons to 15,854 metric tons for the quarter. The sustained demand for pork resulted to release of more stocks for slaughter from piggeries and backyard raisers in the region.

FISH

The region's overall performance remained high with a 7.27% increase in total fish production. Municipal fishing activities and aquaculture's good performance boosted fish production by about 1,044.53 metric tons during the quarter, from its 3rd quarter 2010 performance of 14,364.72 metric tons. Marine-based municipal fishing activities gained a

4.45% increase with the appearance of big volume of saline species like anchovies, big-eyed scad, cavalla and many others. Inland fishing performed well also with 30.29% increase of its previous production of 3,121.60 metric tons in 2010 of same period. The favorable water level along inland water bodies and the seeding done in earlier quarters paved way to the increase in production.

Aquaculture, being properly managed and spared from natural calamities increased by 30.29% from its third quarter 2010 production of 2,660.55 metric tons. More fishponds were also stocked with fingerlings with the availability of sufficient water.

Commercial fishing on the other hand, suffered from the unstable weather condition brought by northeast monsoon winds that affected the sea condition for fishing. For the quarter, commercial fish production decreased by 3.81% or a 158 metric tons reduction from its 2010 catch of 4,152.91 metric tons.

HIGH VALUE COMMERCIAL CROPS

High value commercial crops showed irregular production performance for the quarter being reviewed. Banana remained low with 14.32% decline in production from 2010's 81,997 metric tons of same quarter since most of the planted crops are still recuperating from the stress posed by recent typhoons.

Mango and calamansi also dropped by 9.13% (from 2,206 metric tons in 2010) and 13.15% (from 383 metric tons in 2010), respectively. The decreased in mango and calamansi production was primarily due to continuous rainfall during its flowering stage.

Pineapple on the other hand, rebounded with 16.76% increase in production from 9,460 metric tons in the third quarter of 2010 to 11,046 metric tons this quarter. The increase of harvest was due to movement of harvesting period from first quarter and bigger sizes of fruits.

Legumes, specifically mungo, likewise improved by 17% from its 285 metric tons production in same quarter of 2010. The increased was influenced by availability of seeds encouraging farmers to plant more.

A slight setback of 0.48% was experienced in peanut production representing a 3 metric tons decrease compared to last year's 620 metric tons production. The decrease was caused by the unavailability of good seeds for planting and the shifting of farmers to tomato production. Relatedly, tomato posted a 0.93% increase in production providing an additional 9 metric tons of tomato in the market (954 metric tons in 2010).

Cabbage also increased by 3.56% from 289 metric tons produced in same quarter of 2010. The increased in area planted with cabbage influenced the production improvement.

Eggplant suffered from continuous rain and typhoons during its flowering stage thus, a 3.12% decline of its production was recorded this quarter from 4,247 metric tons in 2010.

Onion production recorded the greatest decline in production or 23% (from 24 metric tons in 2010) due to the shifting of farmers to onion leeks which has shorter gestation period in anticipation of the occurrence of typhoons during the period.

Roots crops, mainly camote and cassava continued to flourish with 1.7% and 19.20% increase in production, respectively. Since root crops favor greater soil moisture and is more resistant to typhoons, the occurrence of early rainfall benefitted the tuber development of the crops. The increasing contract growing scheme in Isabela by the San Miguel Corporation also facilitated the productions.

Coconut production was still down by about 12.36% decrease compared to 2010's 19,198 metric tons for same quarter. Like banana, coconut trees are still at the stage of recovering from stress inflicted by previous typhoons that hit the region.

Meanwhile, sugarcane continues to flourish with 36.62% increase in production from 157 metric tons in 2010. The increase can be attributed to the expansion areas of said crop.

INDUSTRY AND SERVICES

LAND TRANSPORTATION

Based on the report provided by the Land Transportation Office Region 2 for the quarter, registration of motor vehicles went up by 5% or a total of 78,130 motor vehicles as against the third quarter of 2010 of 74,422 units. Motorcycle embodied 46% of the totality of the registered motor vehicles for the period reviewed. This represents a 15% increase of motorcycle acquisition compared to 2010 of the same period. The appealing installment packages offered by various motorcycle dealers and fuel efficiency of motorcycles resulted to the continuous uptrend in the region. Four-wheel vehicles of all categories (cars, SUV, trucks, etc) decreased during the quarter. This may be due to the preference of buyers to purchase brand new cars outside the region for a greater variety of choices and more appealing offers.

Despite the increase of motorcycle registration, revenue collection for this quarter decreased by 9% from Php111 Million in 2010 to Php100.7 Million this year of same period. This can be attributed to the 12% reduction of registration fee for 4-wheel vehicles of all types which command a higher registration fee compared to motorcycles.

AIR TRANSPORTATION

The region's aerospace traffic slowed down by 9.40% with the reduction of flights this quarter as compared to last year's 1,809 total flights of same period. Passengers' arrival in the region though declined by only 0.01%. Passengers moving out the region by plane instead recorded a decrease of 8.92% or 2,007 passengers from 22,162 passengers in the third quarter of 2010. Cargo loading and unloading continued to prosper with 17% and 11%, respectively. Cauayan Airport remained the busiest airport in the region with 1,082 flights during the quarter although it suffered a 20% decline of flights compared to 2010 of same period. Tuguegarao airport was second in terms of number of flights but

topped the number of passengers and cargo getting 74% of total passengers and an average of 73% of cargo. Cyclone Airways Incorporated posted the greatest number of flights with 999 flights for this quarter followed by Sky Pasada with 226 total flights. Bigger airlines like Cebu Pacific and PAL Express/Air Philippines garnered third and fourth place in terms of number of flights but dominated passenger and cargo transport in and out of the region.

The relative decline of number of flights and passengers may be attributed to lean season and lesser influx of passengers which resulted to lesser introduction of flights by airline companies. Moreover, the successive occurrence of typhoons forced airline companies to cancel their flights to and from the region.

To further enhance patronage of airline services, the Civil Aviation Authority of the Philippines (CAAP) has taken subsequent projects to improve its airport facilities. For the quarter, Tuguegarao, Cauayan and Itbayat Airports have undergone repairs and improvement of its facilities with the allotment of about Php 6.85 Million.

MINING/QUARRYING

The infrastructure sector slowed down this quarter as indicated by the decrease in the demand for sand and gravel, pure sand, boulders and earth material. Total sand and gravel production in the region decreased by 10% from last year's 276,059 cubic meters. Pure sand production likewise dramatically decreased by 54%, from 14,701 cu.m. in 2010. Along with it, boulders production posted an 86% (from 125,642 cu.m. in 2010) decrease and earth material by 67% (from 1,200 cu.m. in 2010). The reason for the relative decreases was the occurrence of typhoons which delayed construction schedules and flooding of quarry areas in the region such as the Pinacanauan River.

Amidst the decrease in the regional quarry production, Nueva Vizcaya posted an increase in sand and gravel and boulders production by 4% and 20%, respectively. This may be rooted to the on-going road rehabilitation in the province.

INVESTMENTS

NOTE: INVESTMENT FIGURES ARE ONLY LIMITED TO READILY AVAILABLE DATA. DATA FROM OTHER SOURCES SUCH AS THE SECURITIES AND EXCHANGE COMMISSION (SEC) AND LGUs IF AVAILABLE, WOULD PRESENT A CLEARER INVESTMENT PICTURE FOR THE REGION

The number of firms registered for the quarter decreased by about 5% as compared to the third quarter of 2010 with 2,518 firms. The decline of registered firms also resulted to a 36% reduction in investment against the last year's Php 983.98 Million to Php 626.9 Million this quarter. Quirino province recorded the sharpest decline in business registration and investment with 57% and 93%, respectively.

Agri-based sector has the greatest decrease in registration of firms and investment with 41% and 67% respectively. Despite the poor performance of business firms registration and the decline of investments, employment in the region increased by 24.62%, from 6,259 in 2010 to 7,800 this year of same quarter. Isabela province generated most jobs

in the region with 51% increase while services sector supported employment with about 79% rise. The increase in employment indicated that an expansion of business has occurred in the region using the same business name registration. Loan availment of SME's also increased based on the report provided by DBP and LBP, which support the expansion activities of these enterprises.

LOANS

In support to the economic growth of the region, DBP loan releases increased by 6.92% from last year's Php 1.27 Billion to Php 1.36 Billion this quarter. Non-agri/agra loans occupied the bulk of total loan releases with 90.78%. The province of Isabela has the biggest loan with 47.50% of the total loans released for the quarter while Nueva Vizcaya manifested a 26.63% growth rate, the biggest among other provinces for the quarter reported.

Among the economic activities in the region, social and personal service activities bagged 30.97% of total loan releases and a growth rate of 69% for this quarter. Economic activities with 100% loan growth rate were recorded for electricity, gas and water, transport, storage and communication and real estate, renting and business activities. These economic activities have incurred zero loan during the third quarter of 2010. On the other hand, manufacturing, health and social work and hotel and restaurants posted zero loans for this quarter. Despite the wavering economic loan releases, the region's total loan portfolio increased by 65.85%. The positive growth rate was facilitated by the Php 30 Million loan granted to cooperatives in support to social service and community development.

The Land Bank of the Philippines loan portfolio for Region 2 likewise increased by 4.21% compared to last year of same period. The province of Quirino topped the list with 10.66% followed by Nueva Vizcaya with 5.78%. Batanes on the other hand soared down by 5.55%. Agricultural loans shared the greatest chunk of loan portfolio with 35.54% followed by microfinance with 28.72%. Agricultural loans were extended for programs to enhance rice productivity and provision of livelihood to suppress the ill-effects of several typhoons that nailed the region's economy.

EMPLOYMENT

Based on the July 2011 Labor Force Survey in the region, employment rate increased by 1.5%, from 96.10% in the third quarter of 2010 to 97.60% this quarter. The 1% increase of employable population has resulted to a 3% increase in the labor force or an additional 44,000 persons added to the workforce in the region. Likewise, the number of employed individuals increased by 5% this period or another 66,000 were employed from last year's 1.396 Million which increased the region's employment rate by 1.5%. The increase was due to greater participation rate of the work force which went up by 1.4%.

Underemployment or those working less than 8 hours a day and seeking for more time to work, likewise dropped by 0.3% or 5,000 individuals. Noteworthy to mention is the continuous decline of unemployment in the region from 3.9% in the third quarter of 2010

to 2.4% this quarter, putting Region 2 with least unemployment rate in the country. Region 2 also has the highest employment rate at 97.6%, surpassing the national rate of 92.9%.

INFLATION

Overall inflation for the quarter was significantly elevated by Fuel, Light and Water (FLW), from 3.1% in 2010 to 5.4% this year of same period. FLW index for the quarter increased by 16% compared to last year of same period thus, resulting to a 16.5% inflation rate this quarter. Fuel and light indices soared by 15.7 percentage points (from 7.9% in 2010) and 18.9 percentage points (from -0.4% in 2011), respectively. The increase of fuel prices in the world market and several oil price hikes in the country explains the rapid shock in fuel index. Likewise, light index went up with an inflation rate of 18.9%, a very big disparity of last year's negative 0.4% of same period. The extensive use of electricity during the months and increase of electric charges brought the effect.

Meanwhile, with the occurrences of typhoons Juaning, Mina, & Pedring during the quarter, corn index remarkably upped by 21% compared to its price index last year of same period. Hence the inflation rate of 21.3% for the commodity, an overrun to last year's 4.1% of same period. Based on BAS farm gate prices of selected crops in the region, corn were sold from Php 9-11/kilo. The low production of fruits and vegetables also resulted to 5.7% inflation rate from 4.1% in 2010 of same period. Likewise, tobacco index rose as a result of typhoons which flooded some areas planted to the crop. The region's inflation rate of 9.4% during the quarter almost doubled last year's 4.4% of same period.

Transportation and communication index, meanwhile, goes with the increase of fuel index recording a 15% increase from last year of same period. In addition, medical services index increased by 5% due to occurrence of diseases as a result of repeated typhoons and flooding in the region.

RECOMMENDATIONS/PROSPECTS FOR THE NEXT QUARTER

- The provision of more post- harvest facilities such as palay or corn drying facilities is very important especially during the occurrence of monsoon rains in the 3rd and 4th quarter of the year.
- Fast track rehabilitation of damages inflicted by several typhoons that visited the region on the agriculture sector for a faster economic rebound.
- Availing of crop insurance thru the DA-Philippine Crop Insurance Company for risk sharing between farmers and FPIC.
- Fingerling dispersal undertaken by BFAR in the region as a rehabilitation strategy is expected to boost fishery production in the succeeding quarter.
- The Department of Agriculture has released funds for the rehabilitation of damages on the agriculture sector caused by typhoons in the region. the program aims to provide seed assistance to affected farmers and the repair of damaged irrigation

system. The implementation of Quick Turn Around (QTA) Program and ratooning is expected to boost palay production in the 1st quarter of 2012. Ratooning is expected to harvest an average of 25 cavans per hectare. Ratooning is a technology where remaining stubble or rice stalks are allowed to re-generate tillers and grains, with the application of fertilizers (one bag of urea or complete fertilizers per hectare). Ratooned rice is ready for harvest after 45 days.

- Batanes is expected to improve their agricultural production in the region with the provision of financial support from the Department of Agriculture which was given during the visit of Sec. Proceso Alcala recently. Other assistance given is the proposed construction of water impounding dam and irrigation system, farm tractors and seed assistance.

TABLES

**Table 1: Palay Production, in metric tons
By Province, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Province	Irrigated		Rainfed		Upland		Total		% Change
	2010	2011	2010	2011	2010	2011	2010	2011	
Cagayan Valley	220,463	256,401	2,318	3,716			222,781	260,117	16.76
Cagayan	86,315	100,557	2,318	3,254	-	-	88,633	103,811	17.12
Isabela	72,254	95,898	-	185	-	-	72,254	96,083	32.98
Nueva Vizcaya	59,556	58,453	-	217	-	-	59,556	58,670	(1.49)
Quirino	2,338	1,493	-	60	-	-	2,338	1,553	(33.58)

Source: BAS RO2

**Table 2: Palay Production, in Hectare
By Province, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Province	Irrigated		Rainfed		Upland		Total		% Change
	2010	2011	2010	2011	2010	2011	2010	2011	
Cagayan Valley	51,732	65,349	1,008	1,492			52,740	66,841	26.74
Cagayan	20,878	26,369	1,008	1,276	-	-	21,886	27,645	26.31
Isabela	16,879	24,929	-	90	-	-	16,879	25,019	48.23
Nueva Vizcaya	13,400	13,626	-	100			13,400	13,726	2.43
Quirino	575	425	-	26			575	451	(21.57)

Source: BAS RO2

**Table 3: Palay Production, in Mt/Hectare
By Province, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Province	Irrigated		Rainfed		Upland		Total		Difference
	2010	2011	2010	2011	2010	2011	2010	2011	
Cagayan Valley	4.26	3.92	2.30	2.49			4.22	3.89	(0.33)
Cagayan	4.13	3.81	2.30	2.55			4.05	3.76	(0.29)
Isabela	4.28	3.85		2.06			4.28	3.84	(0.44)
Nueva Vizcaya	4.44	4.29		2.17			4.44	4.27	(0.17)
Quirino	4.07	3.51		2.31			4.07	3.44	(0.62)

Source: BAS RO2

**Table 4: Corn Production Estimates, in Metric Tons
By Province, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Province	White		Yellow		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	24,752	22,551	596,194	598,727	620,946	621,278	0.05
Cagayan	13,598	11,552	159,695	113,941	173,293	125,493	(27.58)
Isabela	9,754	8,734	423,257	443,997	433,011	452,731	4.55
Nueva Vizcaya	1,120	1,825	7,190	26,264	8,310	28,089	238.01
Quirino	280	440	6,052	14,525	6,332	14,965	136.34

Source: BAS RO2

**Table 5: Corn Production, in Hectares
By Province, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Province	White		Yellow		Total		% Change
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	11,169	10,831	143,416	161,063	154,585	171,894	11.20
Cagayan	7,390	6,090	40,349	35,438	47,739	41,528	(13.01)
Isabela	3,279	3,899	99,939	114,081	103,218	117,980	14.30
Nueva Vizcaya	400	622	1,704	6,184	2,104	6,806	223.48
Quirino	100	220	1,424	5,360	1,524	5,580	266.14

Source: BAS RO2

**Table 6: Corn Production, in mt/hectare
By Province, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Province	White		Yellow		Total		Difference
	2010	2011	2010	2011	2010	2011	
Cagayan Valley	2.22	2.08	4.16	3.72	4.02	3.61	(0.40)
Cagayan	1.84	1.90	3.96	3.22	3.63	3.02	(0.61)
Isabela	2.97	2.24	4.24	3.89	4.20	3.84	(0.36)
Nueva Vizcaya	2.80	2.93	4.22	4.25	3.95	4.13	0.18
Quirino	2.80	2.00	4.25	2.71	4.15	2.68	(1.47)

Source: BAS RO2

Note: 2011 Estimates for palay and corn are already final while all others are still preliminary estimates

**Table 7: Production of Livestock and Poultry, in Metric Tons
By Commodity, 3rd Quarter 2010 vs. 3rd Quarter 2011**

COMMODITY	Production		% Change
	2010	2011	
CARABAO	2,355	2,260	(4.03)
CATTLE	3,156	3,183	0.86
SWINE	15,358	15,854	3.23
GOAT	457	430	(5.91)
CHICKEN	10,754	12,984	20.74
DUCK	575	568	(1.22)

Source: BAS RO2

**Table 8: Production Estimates (in metric tons) for Fisheries
By Commodity, Third Quarter 2010 vs. Third Quarter 2011**

COMMODITY	Production		% CHANGE
	2010	2011	
COMMERCIAL	4,152.91	3,994.74	(3.81)
MUNICIPAL	7,551.26	7,948.00	5.25
<i>Marine</i>	4,429.66	4,626.79	4.45
<i>Inland</i>	3,121.60	3,321.21	6.39
AQUACULTURE	2,660.55	3,466.51	30.29
Cagayan Valley	14,364.72	15,409.25	7.27

Source: BAS RO2

**Table 9: Production of High Value Crops in Metric Tons
By Commodity, Third Quarter 2010 vs. Third Quarter 2011**

COMMODITY	Production(mt)		% CHANGE
	2010	2011	
BANANA	81,997	70,258	(14.32)
CALAMANSI	2,206	2,004	(9.13)
MANGO	383	332	(13.15)
PINEAPPLE	9,460	11,046	16.76
MONGO	285	334	17.05
PEANUT	620	617	(0.48)
CABBAGE	289	299	3.56
EGGPLANT	4,247	4,115	(3.12)
TOMATO	954	963	0.93
GARLIC	-	-	
ONION	24	18	(23.19)
CAMOTE	580	590	1.70

COMMODITY	Production(mt)		% CHANGE
	2010	2011	
CASSAVA	5,554	6,621	19.20
COCONUT	19,198	16,825	(12.36)
COFFEE	-	-	
SUGARCANE	157	214	36.62
TOBACCO	-	-	

Source: BAS RO2

**Table 10: Number of Motor Vehicles Registered by Type
Region 02, 3rd Quarter 2010 vs. 3rd Quarter 2011**

Year	T Y P E O F V E H I C L E							Total
	Cars	Utility Vehicle	SUV	Trucks	Buses	MC/TC	Trailers	
2010	4,184	15,612	2,565	4,263	346	46,791	661	74,422
2011	3,024	14,423	1,737	4,257	346	53,689	654	78,130
Difference	(1,160)	(1,189)	(828)	(6)	-	6,898	(7)	3,708
% Change	-38.36%	-8.24%	-47.67%	-0.14%	0.00%	12.85%	1.07%	4.75%

Source: LTO RO2

**Table 11: Number of Motor Vehicles Registered by District/ Extension Office
Region 02, 3rd Quarter 2010 vs. 3rd Quarter 2011**

District Extension Office	3rd Quarter 2011	3rd Quarter 2010	Difference	% Change
Aparri District Office	8,859	7,958	901	10%
Aritao Ext. Office	3,848	1,366	2,482	65%
Basco District Office	735	694	41	6%
Bayombong D.O.	7,789	8,173	(384)	-5%
Cabagan Ext. Office	5,460	2,679	2,781	51%
Cabarroguis D.O.	1,495	1,571	(76)	-5%
Cauayan Ext. Office	8,360	6,498	1,862	22%
Gattaran Ext. Office	3,625	1,796	1,829	50%
Ilagan District Office	3,193	3,467	(274)	-9%
Tuao Ext. Office	1,649	2,015	(366)	-22%
Roxas District Office	6,442	11,357	(4,915)	-76%
Sanchez Mira E. O.	2,465	2,943	(478)	-19%
San Isidro District	5,432	5,608	(176)	-3%
Santiago Ext. Office	6,443	6,363	80	1%
Tuguegarao D. O.	12,335	11,934	401	3%
Total	78,130	74,422	3,708	5%

Source: LTO RO2

**Table 12: Revenue Collections from Vehicle Registration,
by District/Extension Office
Region 02, 3rd Quarter 2010 vs. 3rd Quarter 2011**

District Extension Office	3rd Quarter 2011	3rd Quarter 2010	Difference	% Change
Aparri District Office	11,962,699.75	22,351,730.55	(10,389,031)	-87%
Aritao Ext. Office	3,215,538.90	1,597,728.25	1,617,811	50%
Basco District Office	505,401.00	472,212.00	33,189	7%
Bayombong D. O.	9,168,749.70	9,798,723.45	(629,974)	-7%
Cabagan Ext. Office	4,776,542.35	3,015,637.65	1,760,905	37%
Cabarroguis D. O.	2,064,638.25	2,180,492.50	(115,854)	-6%
Cauayan Ext. Office	12,553,979.30	12,604,030.50	(50,051)	0%
Gattaran Ext. Office	3,353,885.15	2,447,526.55	906,359	27%
Iligan District Office	5,389,993.30	6,235,333.05	(845,340)	-16%
Tuao Ext. Office	3,147,939.75	3,769,060.25	(621,121)	-20%
Roxas District Office	8,059,801.45	10,343,080.95	(2,283,280)	-28%
Sanchez Mira E. O.	2,457,817.45	2,931,363.15	(473,546)	-19%
San Isidro District	9,647,736.00	9,632,090.20	15,646	0%
Santiago Ext. Office	8,154,819.96	8,635,135.80	(480,316)	-6%
Tuguegarao D. O.	16,248,978.38	14,995,797.08	1,253,181	8%
Totals	100,708,520.69	111,009,942	(10,301,421)	-10%

Source: LTO RO2

**Table 13: Number of Flights & Volume of Passengers and Cargo Movement
Region 2: 3rd Quarter 2010 vs 3rd Quarter 2011**

Airport	No of Flights		Passenger 2010		Passenger 2011		Cargo (kg)2010		Cargo (kg)2011	
	2010	2011	ARR	DEP	ARR	DEP	Load	Unload	Load	Unload
Tuguegarao Airport	323	406	14,685	16,073	15,691	15,118	181,236	137,269	217,845	167,945
Basco Airport	114	114	1,958	2,200	2,014	2,089	38,136	24,427	54,080	22,745
Itbayat airport	0.00	20	-	-	295	277	-	-	2,080	1,993
Bagabag Airport	13	17	50	50	30	30	-	-	-	-
Cauayan Airport	1,359	1,082	4,472	4,186	3,132	2,988	37,874	40,626	27,737	32,120
TOTAL	1,809	1,639	21,165	22,509	21,162	20,502	257,246	202,322	301,742	224,803

Source: Civil Aviation Office, Laoag City

**Table 14: Production of Metallic and Non-metallic Minerals
Region 2: 3rd Quarter 2010 vs. 3rd Quarter 2011**

Commodity/ Province	Production (cu.m.)		% Change
	Q3 2010	Q3 2011	
Sand and Gravel			
Cagayan	57,815.24	39,885.00	-31.01%
Isabela	134,118.00	128,528.00	-4.17%
Nueva Vizcaya	11,590.00	4,759.00	-58.94%
Quirino	72,536.00	75,373.00	3.91%
Total	276,059.24	248,545.00	-9.97%
Pure sand			
Cagayan	14,701.98	6,717.83	-54.31%
Boulders			
Cagayan	123,353.15	14,270.00	-88.43%
N. Vizcaya	2,289.00	2,736.00	19.53%
Total	125,642.15	17,006.00	-86.46%
Earth Material			
Cagayan	1200	400	-66.67%

Source: MGB RO2

**Table 15: DBP Outstanding Loans, by Purpose (Absolute amounts)
3rd Quarter 2010 and 3rd Quarter 2011**

LOAN PURPOSE	3 rd Quarter 2010		3 rd Quarter 2011		Growth Rate
	O/S BALANCE	% SHARE	O/S BALANCE	% SHARE	
AGRI-AGRA LOANS					
SMEs	86,878,002.73	6.82%	119,084,554.97	8.75%	37.07%
LGU Loans					
Small Farmers & Fisherfolks	6,740,791.33	0.53%	6,403,182.87	0.47%	-5.01%
Livelihood Loans					
Sub – Total	93,618,794.06	7.35%	125,487,737.84	9.22%	34.04%
NON AGRI-AGRA LOANS					
LGU Loans	519,360,085.74	40.80%	542,590,065.34	39.87%	4.47%
GOCCs	28,667,150.79	2.25%	26,673,714.84	1.96%	-6.95%
Others	631,310,526.63	49.59%	666,315,693.85	48.96%	5.54%
Sub – Total	1,179,337,763.16	92.65%	1,235,579,474.03	90.78%	4.77%
REGION TOTAL	1,272,956,557.22	100.00%	1,361,067,211.87	100.00%	6.92%

Source: DBP RMC-NE Luzon

**Table 16: DBP Outstanding Loans, By Province
3rd Quarter 2010 and 3rd Quarter 2011**

Provinces	3 rd Quarter 2010		3 rd Quarter 2011		Growth Rate
	O/S BALANCE	% SHARE	O/S BALANCE	% SHARE	
Batanes	-	-	-	-	-
Cagayan	556,397,272.02	43.71%	577,966,023.69	42.46%	3.88%
Quirino					
Isabela	608,653,124.99	47.81%	646,461,978.35	47.50%	6.21%
Nueva Vizcaya	107,906,160.21	8.48%	136,639,209.83	10.04%	26.63%
TOTAL	1,272,956,557.22	100.00%	1,361,067,211.87	100.00%	6.92%

Source: DBP RMC-NE Luzon

**Table 17: DBP Loan Releases, by Economic Activity
3rd Quarter 2010 and 3rd Quarter 2011**

ECONOMIC ACTIVITIES	3 rd Quarter 2010		3 rd Quarter 2011		Growth Rate (%)
	RELEASES	% SHARE	RELEASES	% SHARE	
Agriculture	10,950,000.00	17.27%	12,848,750.00	12.22%	17.34%
Fishing					
Manufacturing	1,000,000.00	1.58%			0.00%
Electricity, Gas and Water			30,000,000.00	28.53%	100.00%
Wholesale and Retail Trade	21,152,600.00	33.36%	25,455,000.00	24.20%	20.34%
Transport, Storage & Communication	-	-	300,000.00	0.29%	100.00%
Real Estate, Renting and Business Activities	-	-	500,000.00	0.48%	100.00%
Public Administration and Defense	4,161,485.00	6.56%	2,000,000.00	1.90%	-51.94%
Education	1,200,000.00	1.89%	1,500,000.00	1.43%	25.00%
Other Community, Social & Personal Service Activities	19,268,600.00	30.39%	32,566,428.01	30.97%	69.01%
Health and Social Work	1,700,000.00	2.68%	-	-	-100.00%
Hotel and Restaurants	3,980,500.00	6.28%	-	-	-100.00%
TOTAL RELEASES	63,413,185.00	100.00%	105,170,178.01	100.00%	65.85%

Source: DBP RMC-NE Luzon

Table18: LBP Loan Releases, by Province (In millions Pesos)
3rd Quarter 2010 vs. 3rd Quarter 2011

PROVINCES		September 30, 2011		September 30, 2010		Growth Rate (%)
		O/S BALANCE	% SHARE	O/S BALANCE	% SHARE	
1	Batanes	61.368	0.79%	64.976	0.87%	-5.55%
2	Cagayan	956.272	12.26%	948.044	12.67%	0.87%
3	Isabela	5,447.697	69.84%	5,230.109	69.88%	4.16%
4	Nueva Vizcaya	846.594	10.85%	800.372	10.69%	5.78%
5	Quirino	487.942	6.26%	440.920	5.89%	10.66%
Total Region 2		7,799.873	100%	7,484.421	100%	4.21%

Source: LBP Tuguegarao City

Table 19: LBP Loan Releases, by Purpose (In million pesos)
3rd Quarter 2010 and 3rd Quarter 2011

LOAN PURPOSE		September 30, 2011		September 30, 2010		Growth Rate(%)
		O/S BALANCE	% SHARE	O/S BALANCE	% SHARE	
a.	Agri-Agra Loans					
	SMEs	877.873	11.25%	1,082.736	14.47%	18.92%
	LGU Loans	1,027.167	13.17%	1,157.394	15.46%	11.25%
	Small Farmers & Fisherfolks	2,771.714	35.54%	2,181.589	29.15%	27.05%
	Microfinance	2,239.993	28.72%	2,330.361	31.14%	3.88%
	Livelihood Loans	750.101	9.62%	639.298	8.54%	17.33%
	Sub - Total	7,666.848	98.29%	7,391.378	98.76%	3.73%
b.	Non-Agri-Agra Loans					
	LGU Loans	127.492	1.63%	87.469	1.17%	45.76%
	GOCCs	0.759	0.01%	-	0.00%	0.00%
	Others	4.772	0.06%	5.574	0.07%	-14.39%
	Sub - Total	133.023	1.71%	93.043	1.24%	42.97%
	REGION TOTAL	7,799.871	100%	7,484.421	100%	4.21%

Source: LBP Tuguegarao City

**Table 20: Investment & Employment Generated thru Business Name Registration
3rd Quarter 2010 and 3rd Quarter 2011 (Comparative)
Region 2, By Province**

Sector	No. of Firms		% Change	Investments (P'000)		% Change	Employment		% Change
	3rd Qtr 2010	3rd Qtr 2011		3rd Qtr 2010	3rd Qtr 2011		3rd Qtr 2010	3rd Qtr 2011	
Batanes	30	35	14.29	2,934	6,852	57.18	43	60	28.33
Cagayan	807	952	15.23	308,826.5	200,650	-53.91	1,903	2,064	7.80
Isabela	993	910	-9.12	58,528.5	252,186	76.79	2,972	4,495	33.88
Quirino	362	156	-132.05	530,955.4	33,859	-1468.14	508	298	-70.47
Nueva Vizcaya	326	340	4.12	82,735.45	133,351	37.96	833	883	5.66
Total	2,518	2,393	-5.22	983,979.8	626,898	-56.96	6,259	7,800	19.76

Source: DTI Business Name Registration

**Table 21: Investment & Employment Generated thru Business Name Registration
3rd Quarter 2010 and 3rd Quarter 2011 (Comparative)
Region 2, By Sector**

Sector	No. of Firms		% Change	Investments (P'000)		% Change	Employment		% Change
	3rd Qtr 2010	3rd Qtr 2011		3rd Qtr 2010	3rd Qtr 2011		3rd Qtr 2010	3rd Qtr 2011	
Manufacturing	170	143	-18.88	126,353.15	42,194	-199.46	505	451	-11.97
Agri-Based	44	26	-69.23	63,845.96	21,119.1	-202.31	140	79	-77.22
Construction	32	23	-39.13	102,186.4	48,750	-109.61	205	144	-42.36
Trading	1,376	1,370	-0.44	340,131.9	262,063.95	-29.79	3,092	2,983	-3.65
Services	896	831	-7.82	351,462.46	252,771	-39.04	2,317	4,143	44.07
Total	2,518	2,393	-5.22	983,979.8	626,898	-56.96	6,259	7,800	19.76

Source: DTI Business Name Registration

**Table 22: Labor Force, Employment and Underemployment
Region 2: July Labor Force Survey (in thousands)
CY 2010 vs. CY 2011**

Indicator	Jul-10	Jul-11	Difference	% Change
HH Population 15 years and over	2,183	2,203	20	1%
Labor Force	1,454	1,498	44	3%
Employed	1,396	1,462	66	5%
Underemployed	194	199	5	2%
Unemployed	57	36	(21)	-58%
Labor Force Participation Rate (%)	66.60	68	1.40	2%
Employment Rate (%)	96.10	97.60	1.50	2%
Underemployment Rate (%)	13.90	13.60	(0.30)	-2%
Unemployment Rate (%)	3.90	2.40	(1.50)	-63%

Source: NSO

**Table 23: Consumer Price Index and Inflation
Cagayan Valley, 3rd Quarter, CY 2010- 2011**

Commodity Group	Consumer Price Index			Inflation Rate	
	Q3 2011 Ave	Q3 2010 Ave	Q3 2009 Ave	2011	2010
All Items	171.7	162.9	158.1	5.4%	3.1%
I. Food, Beverages and Tobacco	176.7	169.7	163.3	4.1%	3.9%
Food	178.5	171.5	165.0	4.1%	4.0%
Cereal and Cereal Preparations	186.8	179.5	178.5	4.1%	0.5%
Cereals	190.7	184.2	183.6	3.5%	0.3%
Rice	191.2	185.8	185.5	2.9%	0.2%
Corn	180.2	148.6	142.8	21.3%	4.1%
Cereal Preparations	171.8	161.2	158.9	6.5%	1.4%
Dairy Products	192.1	188.3	183.2	2.0%	2.8%
Eggs	164.1	157.7	152.5	4.0%	3.5%
Fish	177.4	166.2	155.6	6.7%	6.8%
Fruits and Vegetables	166.3	157.3	151.1	5.7%	4.1%
Meat	164.7	163.7	155.9	0.6%	5.0%
Miscellaneous Foods	188.7	180.1	167.8	4.8%	7.3%
Beverages	158.5	153.9	151.6	3.0%	1.5%
Tobacco	147.9	135.1	129.4	9.4%	4.4%
Non-Food	164.5	153.1	150.4	7.4%	1.8%

Commodity Group	Consumer Price Index			Inflation Rate	
	Q3 2011 Ave	Q3 2010 Ave	Q3 2009 Ave	2011	2010
II. Clothing	129.6	127.2	125.7	1.9%	1.2%
Footwear	135.5	133.9	132.1	1.3%	1.3%
Ready-made Apparel	127.3	124.7	123.2	2.1%	1.2%
Custom Clothes	132.2	128.2	127.2	3.2%	0.7%
III. Housing and Repairs	140.4	135.3	134.4	3.8%	0.6%
Minor Repairs	156.4	152.6	149.2	2.5%	2.3%
Rentals	138.7	133.4	132.9	4.0%	0.4%
IV. Fuel, Light and Water	231.5	198.7	190.4	16.5%	4.4%
Fuel	257.6	222.6	206.3	15.7%	7.9%
Light	204.0	171.6	172.3	18.9%	-0.4%
Water	174.5	174.4	174.4	0.1%	0.0%
V. Services	181.7	168.3	165.9	8.0%	1.4%
Educational	181.2	179.6	176.7	0.9%	1.6%
Medical	147.1	140.1	138.3	5.1%	1.3%
Personal	145.4	136.9	136.2	6.3%	0.5%
Recreational	109.6	109.4	110.1	0.2%	-0.6%
Transportation & Communication	217.6	189.6	186.3	14.8%	1.8%
Other Services	-	-	-	-	-
VI. Miscellaneous	126.2	124.1	122.6	1.7%	1.2%
Household Furnishing & Eqpt.	114.0	112.4	111.7	1.4%	0.6%
Household Operations	137.6	135.7	132.3	1.4%	2.6%
Personal Care and Effects	126.1	123.2	122.0	2.3%	1.0%
Other Miscellaneous Items	126.3	126.3	126.3	0.0%	0.0%

Source: NSO