

# Regional Economic Situationer

## First Quarter CY 2014, Cagayan Valley

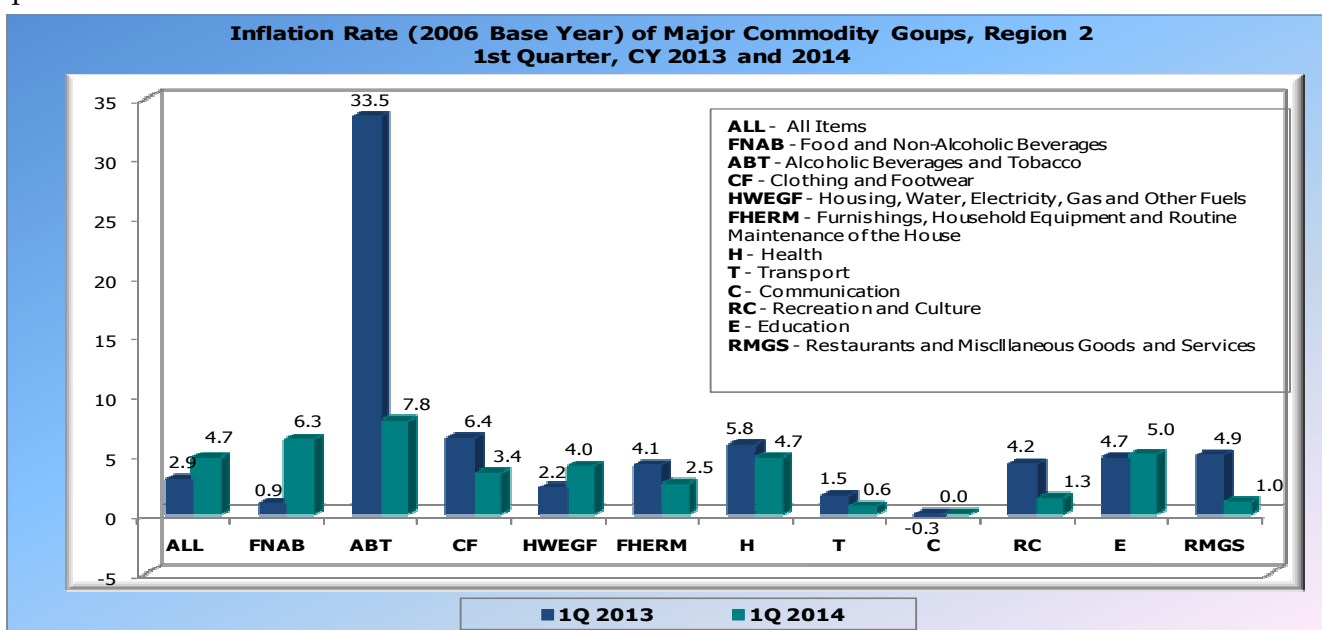


The region's economic performance during the first quarter of CY 2014 showed increased activities along Industry and Services sectors amid a general decline in agricultural production performance. A relatively vibrant growth in Industry and Services is indicated by an uptrend in business registration and in loan availment particularly along manufacturing, construction, trading, community and personal services. Other positive indicators include increases posted in air passenger and cargo movement, mining and quarrying production and telecommunication facilities.

On the other hand, agriculture performance suffered due to decreased production levels for rice, corn, fruits and vegetables and fishery. Lower production in agriculture resulted to higher inflation rate as food commodities generally registered higher prices during the quarter. Furthermore, the number of new jobs created during the quarter was not enough to accommodate new entrants to the labor force, thus increasing the region's unemployment rate. However, the quality of jobs during the quarter was generally better compared to last year as shown by the 32.9% decline in the number of underemployed.

### Inflation

The region's annual average headline inflation for the first quarter of CY 2014 accelerated to 4.7 percent from the 2.9 percent in the same period last year, still within the inflation target range of 3 percent to 5 percent set by the Development Budget Coordination Committee (DBCC). This inflation rate was higher by 0.6 percentage points than the national inflation rate of 4.1 percent. The uptrend was largely attributed to the significant increase in the index of Food and Non-Alcoholic Beverages (from 0.9% to 6.3%) which comprised about 46.7 percent of the average total expenditure of households. The rise in the food prices was mainly due to the annual increments in the price indices of rice (from 1.3% to 14.5%), vegetables (from -2.1% to 7.6%), fruits (from -1.7% to 4.3%), and meat (from 0.7% to 4.4%) ascribed to the lower volume of production of the said commodities. Utilities comprising of housing, water, electricity, gas, and other fuels also posted a significant increase in prices (from 2.2% to 4.0%) brought about by the increase in electricity charges and the higher fuel prices.

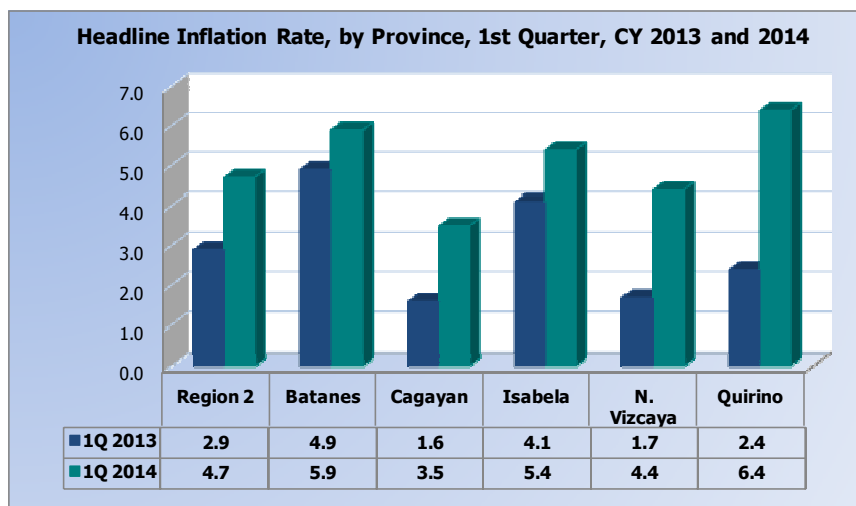


Nonetheless, seven out of eleven major commodity groups still posted slower annual inflation rate during the period with the following commodities posting the biggest declines: alcoholic beverages and tobacco from 33.5% to 7.8%; restaurants and miscellaneous goods and services from 4.9% to 1.0%; clothing and footwear from 6.4% to 3.4%; and recreation and culture from 4.2% to 1.3%.



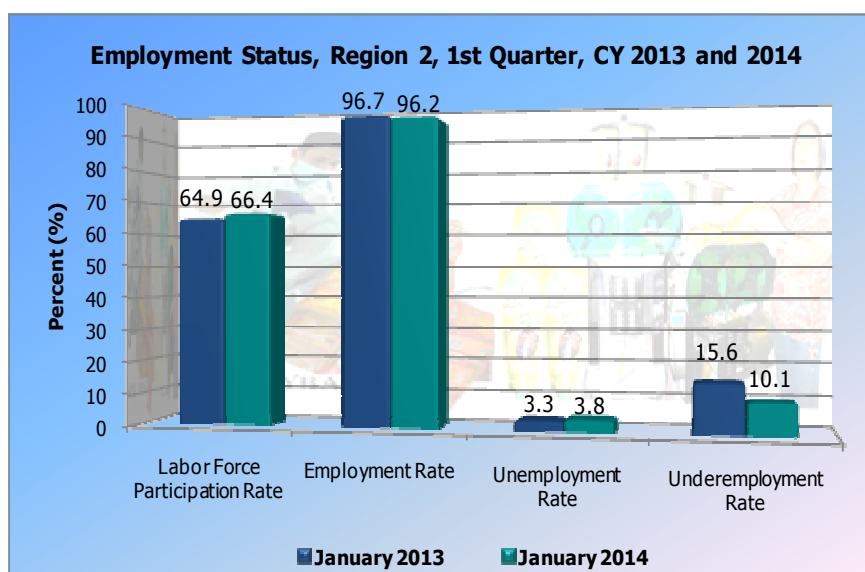
Significant slowdown in the inflation rate of alcoholic beverages and tobacco in the first quarter of CY 2014 was due to high base effects, wherein the inflation rate in the same quarter in CY 2013 was dramatically high after the implementation of sin tax law which then made the increase in price index during the quarter exhibit a lower inflation rate. Meanwhile, the increased competition among the rising number of business enterprises engaged in restaurant and miscellaneous goods and services, clothing and footwear products, and recreation and culture helped slow down prices in the said commodity groups.

Across provinces, all five registered faster annual inflation rates in the first quarter of CY 2014 with the province of Quirino posting the fastest acceleration at 6.4 percent from 2.4 percent in the same quarter last year, mainly due to the rapid increments in food prices. The Batanes, Isabela and Quirino provinces had inflation rates higher than the 4.7 percent regional average.



## Employment

Based on the results of the January 2014 Labor Force Survey (LFS), of the estimated 2.305 million population aged 15 years and over, labor force participation rate stood at 66.4 percent (1.531 million persons), higher than the 64.9 participation rate (1.471 million persons) in the January 2013 LFS. Moreover, an additional 51,000 persons were employed or an increase by 3.6 percent to reach 1.473 million employed persons in January 2014. However, despite the increase in employed persons, unemployment rate still increased to 3.8 percent, from 3.3 percent in January 2013. The number of unemployed persons was estimated at 58,000, higher than the 49,000 in the same period in the previous year, as the number of those who joined the labor force grew faster than the number of new jobs created during the period.



Workers are grouped into three broad sectors, namely, agriculture, industry and services sector. In January 2014, workers in the agriculture sector comprised the largest proportion of the population who are employed at 58.5 percent or 862,000 employed. Workers in the services sector made up the second largest group at 33.7 percent or 496,000 while workers in the industry sector comprised the smallest group at 7.8 percent or 115,000. Employed persons in the agriculture and industry sectors increased in January 2014 by 7.6 percent and 10.6 percent, respectively, while employed in services sector decreased by 3.7 percent. Substantial increment in the number of employed in the agriculture and forestry, and construction subsectors were registered in January 2014.



Employed persons are classified into four classes of workers: wage and salary workers, self-employed workers without any paid employee, employers in own family-operated farm or business, and unpaid family workers. Wage and salary workers are those who work for private households, private establishments, government or government-controlled corporations, and those who work with pay in own family-operated farm or business. In January 2014, wage and salary workers, which made up 52.8 percent of the total employed, decreased by 5.4 percent to 778,000 from 822,000 in January 2013. The implementation of the Rationalization Plan among all National Agencies contributed to the decline in the employed persons in the government as positions vacated are still in the process of filling up.

Meanwhile, the number of self-employed and employers in own family-operated farm or business increased by 8.2 percent (to 242,000), and 3.2 percent (to 220,000), respectively. The uptrend was ascribed to the increased assistance of the regional line agencies through their various livelihood assistance programs such as *Negosyo sa Kariton* (Nego-Karts) and Re-integration Program for Overseas Filipino Workers (OFWs) wherein assistance including entrepreneurship development and skills enhancement training are provided in aiding OFWs to start a business.

Unpaid family workers significantly rose in January 2014 at 233,000, up by 94,000 or 43 percent. This was ascribed to the increase in jobs created in the agriculture sector where majority of unpaid family workers are concentrated.

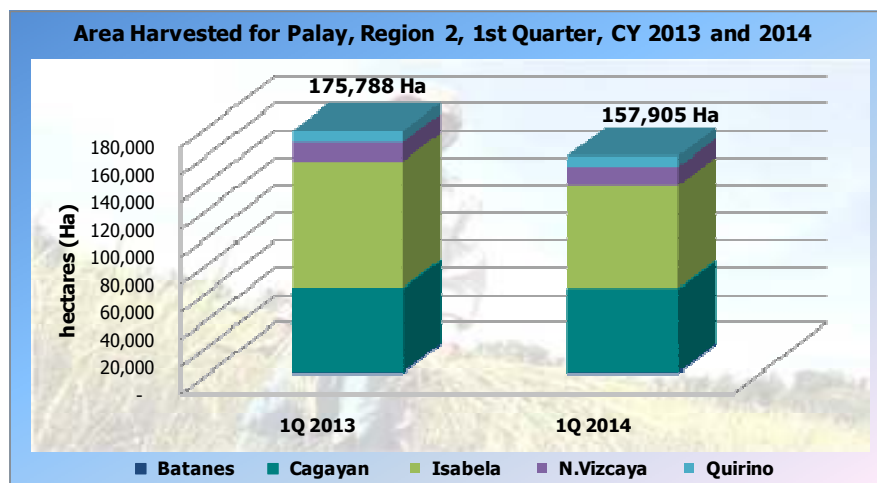
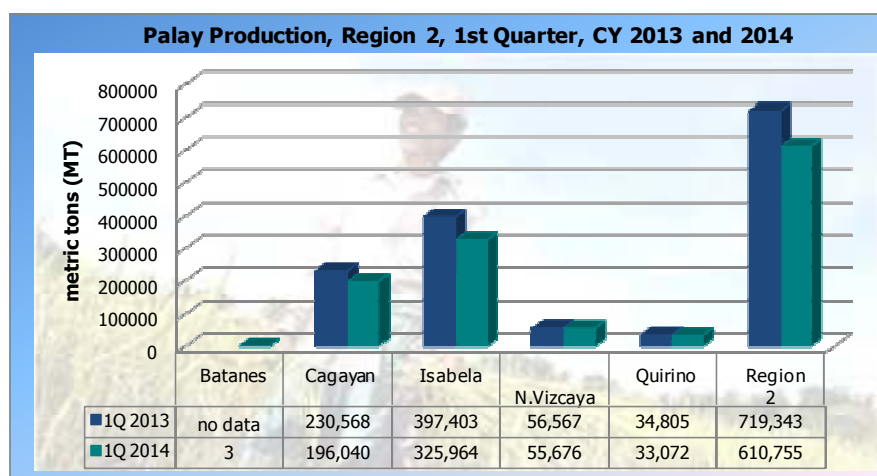
The number of underemployed, or those who expressed desire to have additional hours of work in their present job, or to have additional job, or to have a new job with longer working hours decreased from 222,000 persons to 149,000 persons in January 2014. This translated to an underemployment rate of 10.1 percent, lower than the 15.6 percent in January 2013.

## Agriculture and Fishery

### Palay

The total estimated palay output in the region during the first quarter of CY 2014 was recorded at 610,755 metric tons (MT), a drop of 15.1 percent from 719,343 MT in the first quarter of CY 2013. The decline could be attributed to the 10.2 percent decrease in area harvested of palay to 157,905 hectares (has.) from 175,788 Ha coupled with the decline in yield from 4.09 metric tons per hectare (MT/ha.) to 3.87 MT/ha.

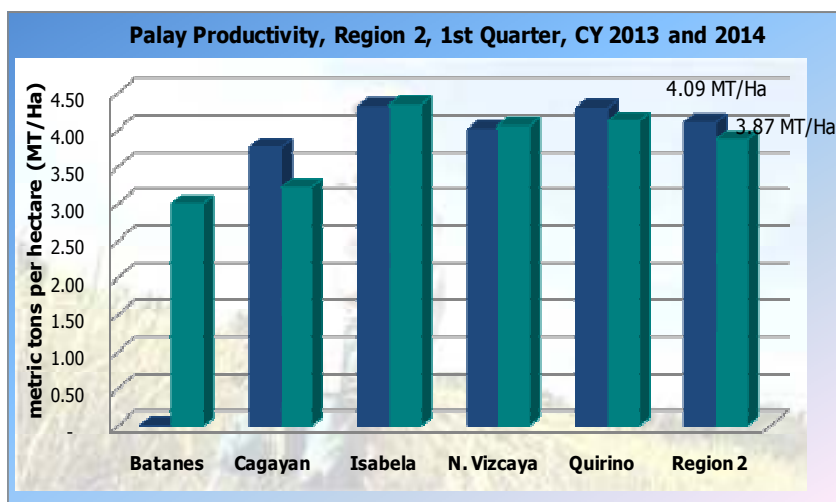
Across provinces, Isabela shared 53.4 percent of the total palay production, followed by Cagayan (32.1 percent), Nueva Vizcaya (9.1 percent) and Quirino (5.4 percent). The Batanes province shared only 3 metric tons during the quarter.





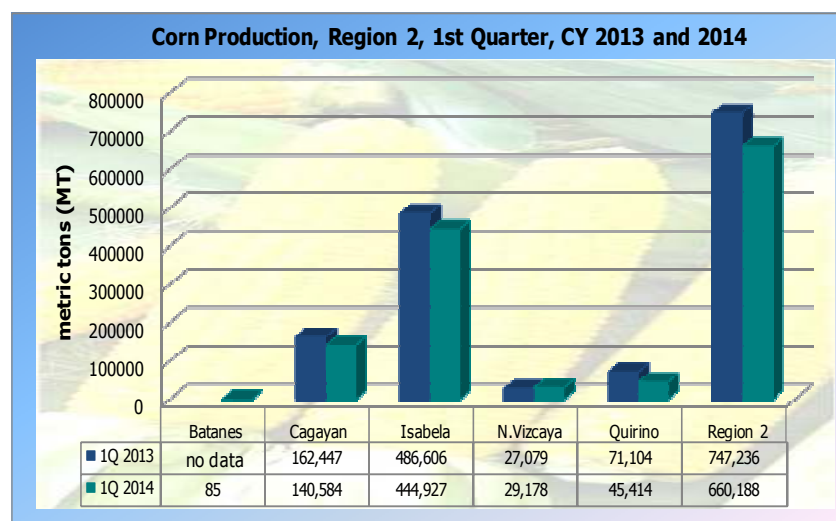
In terms of harvested area, Isabela likewise accounted for the majority of palay farms at 47.6 percent, followed by Cagayan (38.6%), Nueva Vizcaya (8.7%), and Quirino (5.1%). Batanes' harvested area was merely one hectare.

The four major palay producing provinces in the region posted lower palay output with Isabela and Cagayan registering the steepest decline of 17.98 percent and 14.98 percent, followed by Quirino (4.98 percent) and Nueva Vizcaya (1.58 percent). The minimal increase in yield in Isabela from 4.31 MT/ha. to 4.34 MT/ha. was not able to push production due to the sharp decline in area harvested to 75,165 has. (from 92,167 has.). Likewise, Nueva Vizcaya's 1.14 percent growth in yield was not enough to boost production as area harvested fell by 2.69 percent from 14,136 has. Meanwhile, the substantial drop in palay productivity in Cagayan (-14.4 percent) and Quirino (-4.4 percent) due to the effects of various conditions such as cold spell and prolonged dry spell combined with the decrease in area harvested due to movement of harvest from the first quarter to the second quarter of CY 2014 brought about by delayed maturity of crops hindered production improvement in these provinces.

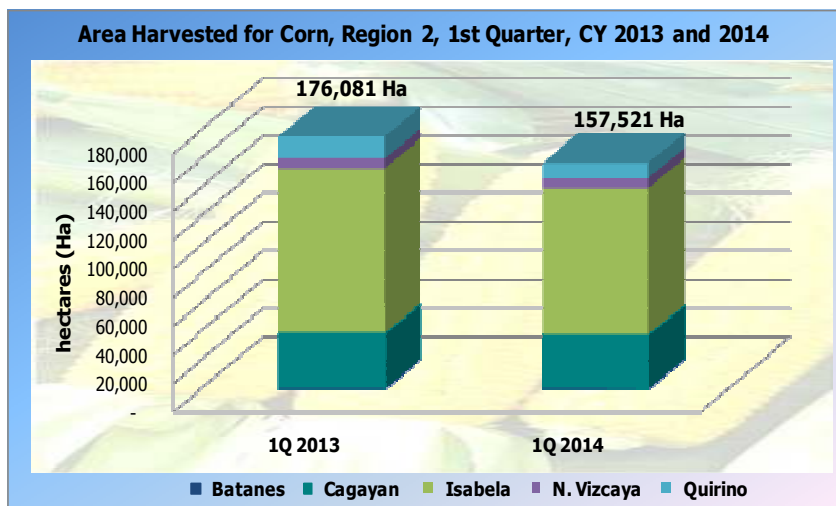


## Corn

The region's total corn production estimate in the first quarter of CY 2014 was 660,188 metric tons (MT), 11.65 percent lower compared to CY 2013. The reduced output was a result of the decline in average yield by 1.24 percent (from 4.24 MT/ha. to 4.19 MT/ha.) and the 10.54 percent contraction in total area harvested (from 176,081 has. to 157,521 has.).

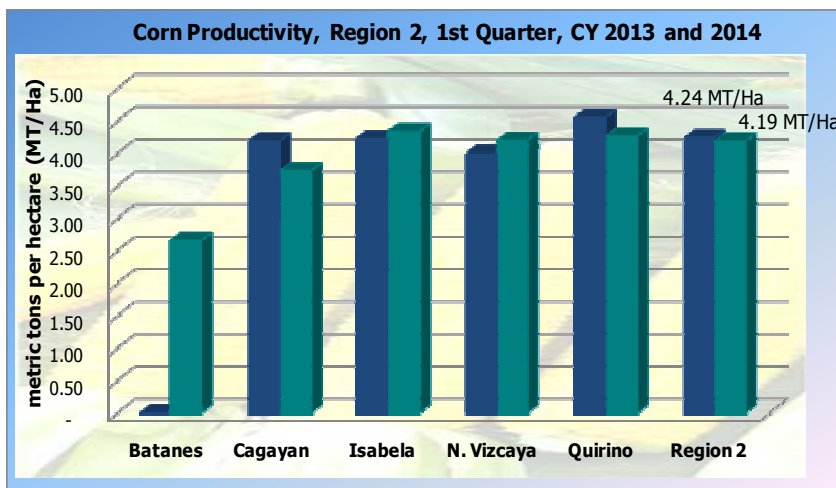


Isabela accounted for bulk of the corn output during the period at 67.4 percent, followed by Cagayan (21.3 percent), Quirino (6.9 percent), Nueva Vizcaya (4.4 percent) and Batanes (0.01 percent). Similarly, Isabela province's harvest area for corn was the biggest (65% of the total area), followed by Cagayan (22.0%), Quirino (8.9%), Nueva Vizcaya (3.8%) and Batanes (only 0.02%).





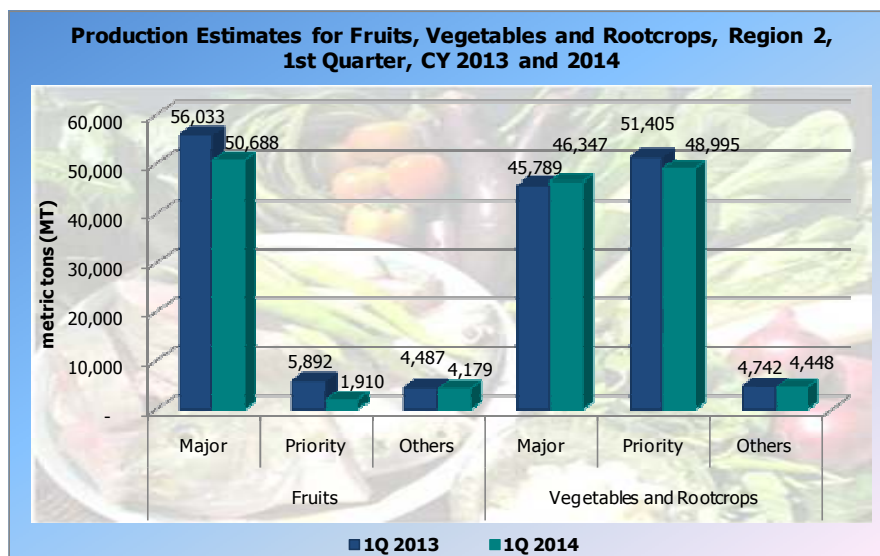
Significant reduction in the corn output of Isabela, Cagayan and Quirino was noted for the quarter. Despite the improvement in corn productivity in Isabela from 4.23 MT/ha. to 4.35 MT/ha. (up by 2.7 percent), the hefty contraction in area harvested from 114,942 has. to 102,356 has. lowered the production by 8.57 percent to 444,927 MT. Meanwhile, the corn production decrease in Cagayan by 13.46 percent (from 162,447 MT) and Quirino by 36.13 percent (from 71,104 MT) was ascribed to the decline in area harvested by 3.04 percent (from 38,749 has.) and 31.95 percent (from 15,620 has.), respectively. The contraction in yield by 10.7 percent and 6.1 percent in Cagayan and Quirino also led to the negative performance in production. Major contributing factor to the lower yield was the effect of prolonged dry spell on corn crops. The decrease in area harvested was attributed to the movement of harvest period to the next quarter brought about by delayed maturity of crops.



Different trend, however, was observed in Nueva Vizcaya where improvement in production was recorded from 27,079 MT to 29,178 MT (up by 7.75 percent). The positive performance is attributed to the expansion in area harvested by 2.39 percent to 6,932 has. and increase in productivity by 5.2 percent to 4.21 MT/ha. The availability of good quality seeds and the financial assistance scheme of Plant Now Pay Later of the DA-RFO 2 contributed to the higher corn production in the province.

### Fruits, Vegetables and Root Crops

Aggregate production of fruits for the first quarter fell by 14.5 percent from 66,412 metric tons (MT) to 56,778 MT. This is ascribed to the output contraction of major fruits at 9.5 percent, priority fruits at 67.6 percent and other fruits at 6.9 percent as majority of the crops were still recovering from damages caused by previous calamities while some crops produced were in smaller sizes.



Among the major fruit crops, only mango recorded growth in production at 46.5 percent while banana and calamansi posted considerable drop of 9.8 percent and 5.7 percent, respectively. Significant reduction in watermelon output from 4,440 MT to merely 484 MT was also recorded brought about by noted shifting to corn farming and decrease in area planted due to excessive rain during the planting time.

Similarly, total vegetable and root crops production estimate in the region during the quarter also went down albeit at a slower pace of 2.1 percent or from 101,936 MT to 99,791 MT. The slight downturn in output is attributed to the 4.7% and 6.2% decline in priority and other vegetables and root crops although partly offset by the 1.2% growth of major vegetables and root crops.

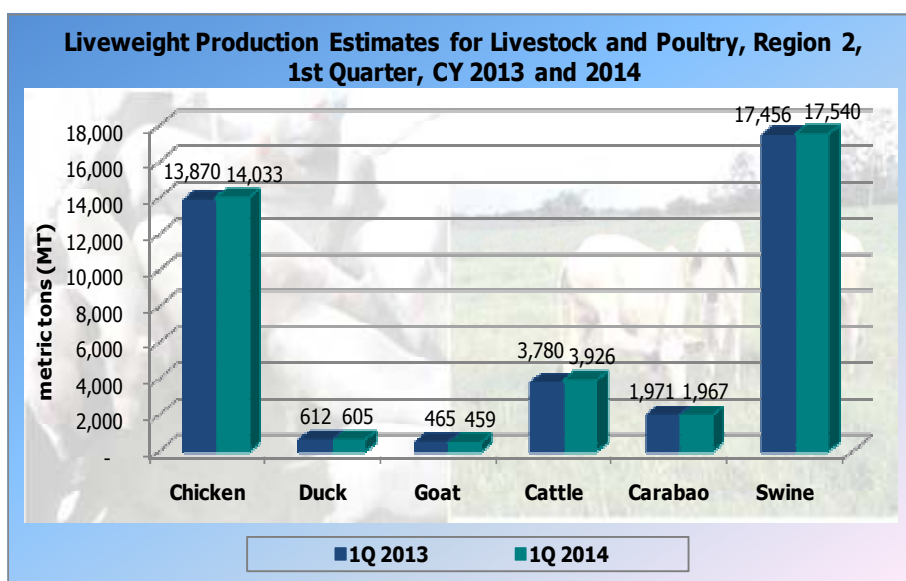


Downward trend in harvest was observed in majority of the vegetables and root crops. Crops that did not perform well during the quarter were camote with the biggest decline of 37.4% which was affected by the fusarium wilt in Nueva Vizcaya; mongo (-35.2%) and peanut (-14.2%) due to the delayed planting because of persistent rainfall during planting time; and eggplant (-5.5%) due to smaller sizes of fruits due to lack of rainfall during fruiting stage. Nonetheless, those that posted increases in production include cassava (8.6%), tomato (7.6%), irish potato (7.9%), pechay (5.8%) and onion (5.6%).

Production estimates of Fruits, Vegetables and Root Crops (in metric tons)		
	First Quarter CY 2013	First Quarter CY 2014
<b>Fruits</b>	<b>66,412</b>	<b>56,778</b>
Major	56,033	50,688
Priority	5,892	1,910
Others	4,487	4,179
<b>Vegetables and Root crops</b>	<b>101,936</b>	<b>99,791</b>
Major	45,789	46,347
Priority	51,405	48,995
Others	4,742	4,448

## Livestock and Poultry

Liveweight production in the livestock sector recorded a minimal increase of 0.9 percent year-on-year in the first three months of the year to 23,892 metric tons (MT). Cattle and hog, which accounted for 89.8 percent of the total livestock production, posted slight increases in output at 3.86 percent and 0.5 percent, respectively. The increase in cattle production was attributed to the sustained demand for beef to fill in the



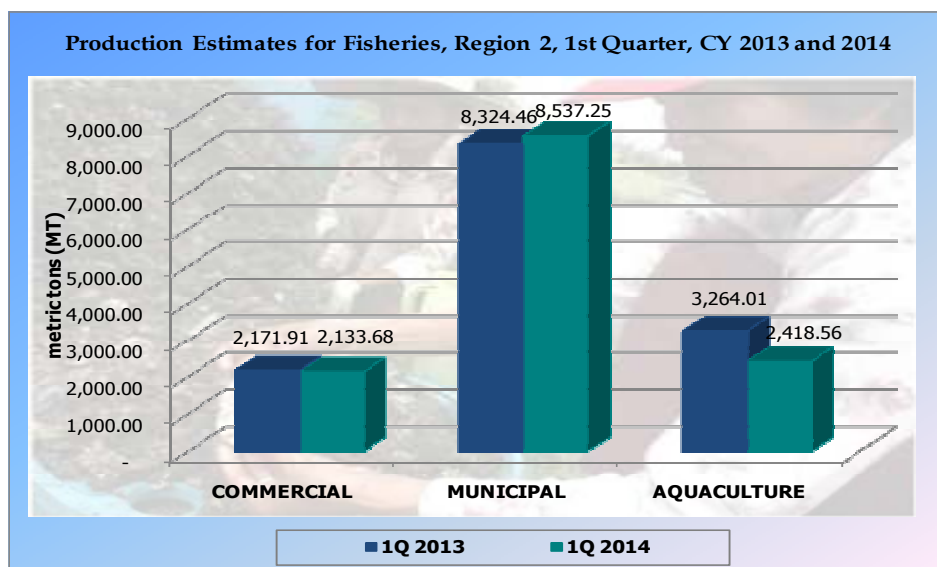
deficit of carabeef in the region while the uptrend in hog production was due to higher disposal brought about by the sustained demand and favorable farmgate price. Conversely, goat and carabao production posted negative growth rates of 1.3 percent and 0.2 percent. The lower goat output was attributed to the decreased inventory because of the fast disposal of goat for meat purposes in previous semesters and shifting of some goat farms to sheep industry. The limited number of carabaos ready for disposal due to decreased inventory contributed to the slide in production.

The poultry liveweight production likewise went up in the first three months of the year from 14,482 MT to 14,638 MT. Chicken, the main growth catalyst which shared 95.9 percent to the total poultry output, grew by 1.1 percent to 14,033 MT. The positive performance was a result of acquisition of more stocks raised due to sustained demand and the opening of two commercial farms in Cagayan. Meanwhile, duck production went down by 1.1 percent due to decreasing inventory.



## Fisheries

The total estimated fishery output in the first three months of CY 2014 contracted by 4.88 percent to 13,089.49 metric tons (MT) from 13,760.37 MT in the same quarter last year. The reduced output was mainly attributed to the lower aquaculture and commercial fishing production during the quarter, pulling down the overall production even with the increase in municipal fishing.



The municipal fisheries sector, accounting for 65.2 percent of the total fishery output, expanded by 2.56 percent to 8,537.25 MT brought about by the higher harvest from marine waters (up by 5.08 percent to 5,087.55 MT) but was partly offset by the decline in inland municipal fishery output (down by 0.96 percent to 3,449.70 MT). The improved marine municipal fishing in Cagayan pulled up the production as more fishing days were observed due to reported appearance of school of fishes in fishing grounds. On the contrary, the higher inland fisheries production in the provinces of Isabela, Nueva Vizcaya and Quirino was negated by the decline in Cagayan's output. In terms of specific fishery commodities, abundant catch of anchovies, frigate tuna, skipjack and yellowfin tuna were noted in Cagayan. Increasing production of eel was also noted across all provinces except Batanes.

Meanwhile, reduced output from commercial fishing was recorded during the quarter. The commercial sector declined by 1.76 percent from 2,171.91 MT amid the implementation of five fishing day limit every month for fishermen catching acetes (*aramang*), the carrier species which accounted for the biggest share of the total commercial fisheries output. Likewise, lesser fishing efforts were observed due to the cold weather specifically during the first two months of the quarter.

The downtrend observed in the aquaculture sector from 3,264.01 MT to 2,418.56 MT (down by 25.9%) was largely brought about by the movement of harvest to the second quarter, stunted growth and high mortality rate due to the cold weather. The decline in area harvested in Nueva Vizcaya, Cagayan and Quirino also resulted to the substantial decrease in output. In addition, some cages were not seeded due to high cost of inputs and abnormal water level of the Magat dam. Also, a remarkable decline in the seaweed production from 912.66 MT to 168.84 MT (down by 81.5 percent) was observed as some harvest areas were damaged and affected by flood in the previous year.

### Farm gate prices of selected agricultural commodities

The average farm gate price of palay and corn increased in the first quarter this year. Palay in dry term went up by 31.3 percent to Php20.88 per kilogram. The price hike in palay is attributed to the sustained demand from local and outside buyers coupled with good quality of produce in Isabela, Nueva Vizcaya and Quirino. In addition, decrease in production and the high demand from traders in Cagayan contributed to the higher price. Similarly, both white and yellow corn grains posted higher average prices during the quarter. White corn price averaged at Php11.22 per kilogram, up by 3.3 percent because of the decrease in production in Cagayan, the only province with reported farm gate price. The average yellow corn price stood at Php11.87 per kilogram from Php11.80 as a result of the sustained demand from feed millers in Isabela.

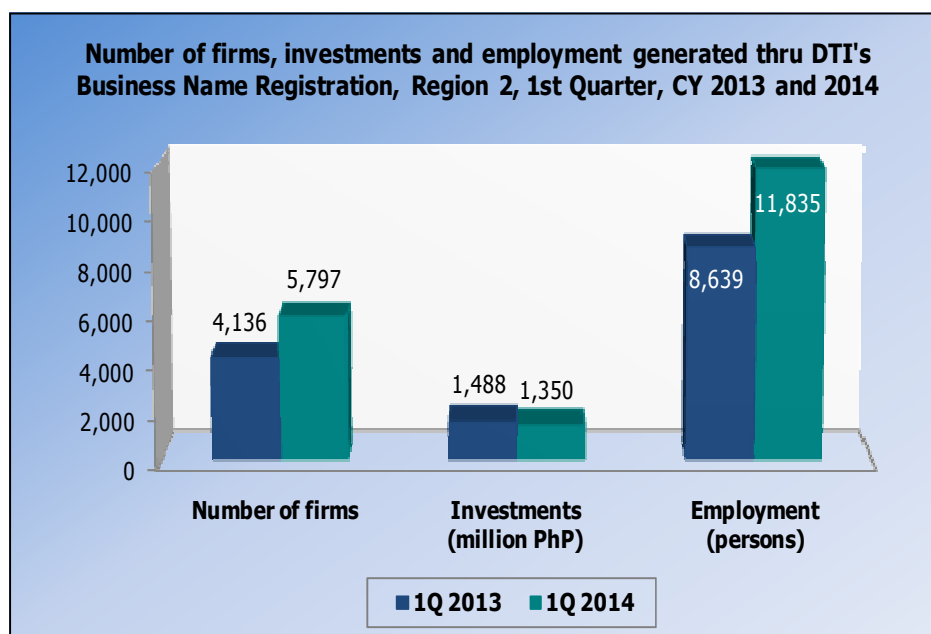


Mixed trend in the prices of vegetables, rootcrops, and condiments was noted during the quarter. Double-digit growth reduction in the farmgate prices of tomato, cassava, and squash was recorded while prices of eggplant, chayote, pechay, and stringbeans rose considerably due to sustained demand. On fruits, price increases were observed for the lakatan and latundan varieties of banana, green carabao mango and papaya. Young and matured coconut also commanded higher prices due to the high demand from local buyers especially for buko products such as buko pie and buko juice.

The average farm gate prices of all livestock commodities registered modest growth in the first three months this year. Goat for slaughter prices recorded the fastest growth at 6.05 percent or from Php125.60 to Php133.19 per kilogram while hog for slaughter posted the slowest growth at 3.64 percent or from Php108.51 to Php112.46 per kilogram. The increase was due to the sustained demand within and outside the region and the limited supply of animals for slaughter.

## Investments

The number of firms registered in the region through DTI's Business Name Registration increased by 40 percent to 5,797 firms in the first quarter of CY 2014 from the 4,136 firms registered in the same period last year. The growth is mainly attributed to the remarkable increase in firm registration in Isabela at 2,339 firms (up by 74.4 percent), Cagayan with 2,024 firms (up by 45 percent), Batanes at 198 firms (up by 69.2 percent) and in Nueva Vizcaya with 905 firms (up by 9.7 percent). Firm registration in Quirino declined to 331 firms or down by 27.6 percent.



In terms of classification, firms engaged in the trading sector still comprised the majority of the firm registration for the period totaling to 3,399 firms, followed by those in the services sector (2,039 firms), manufacturing sector (268 firms), agri-based production (58 firms) and construction (35 firms). All industries, except construction, registered increases in firm registration.

Meanwhile, investments generated for the first quarter of the year reached Php1.35 Billion, a 9.3 percent decrease from the registered Php1.488 Billion in the same quarter last year. The lower investments generated for the period despite the increase in firm registration is due to the smaller capitalization of the new firms registered.

The increase in registered firms translated to a higher employment generation for the quarter. From the 8,639 jobs generated in the first quarter of the previous year, it rose to 11,835 job generation this year. The upward trend in the job creation was due to significant increases in job creation for firms engaged in trading and services in all provinces of the region.



## Tourism

The region's total visitors (tourists and same day visitors) in the first quarter of the current year increased by 23 percent from 212,270 to 261,055. The increase was mainly attributed to the hefty increase in foreign arrivals to 51,048 or by 840.5 percent.

Tourists, or visitors who visited an attraction/destination and stayed at least an overnight in an accommodation establishment, made up 59.4 percent of the total

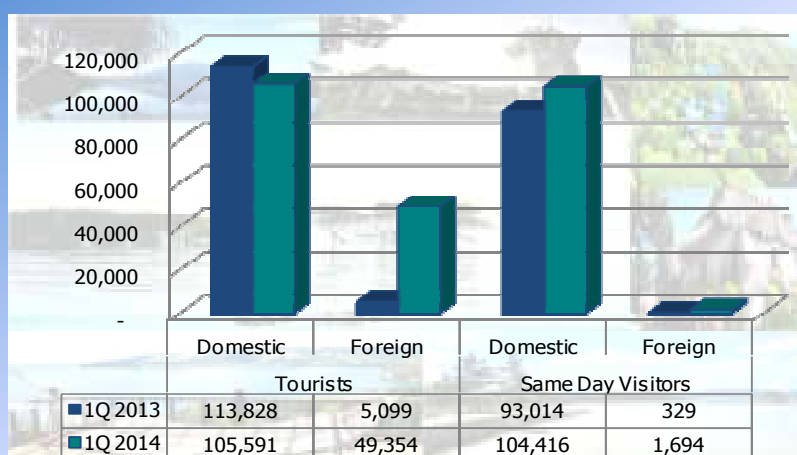
visitor arrivals during the quarter. Foreign tourist arrivals skyrocketed to 49,354, an increase of 867.9 percent from merely 5,099. Tourists from China accounted for majority of the total foreign tourist arrivals at 46,015. Meanwhile, a slight dip in the domestic tourist arrivals was recorded at 105,591, 7.2 percent lower from 113,828 in the same quarter in CY 2013.

Likewise, same day visitors also posted substantial increase from 93,343 to 106,110. Domestic arrivals grew by 12.3 percent to 104,416 while foreign arrivals surged to 1,694 from 329.

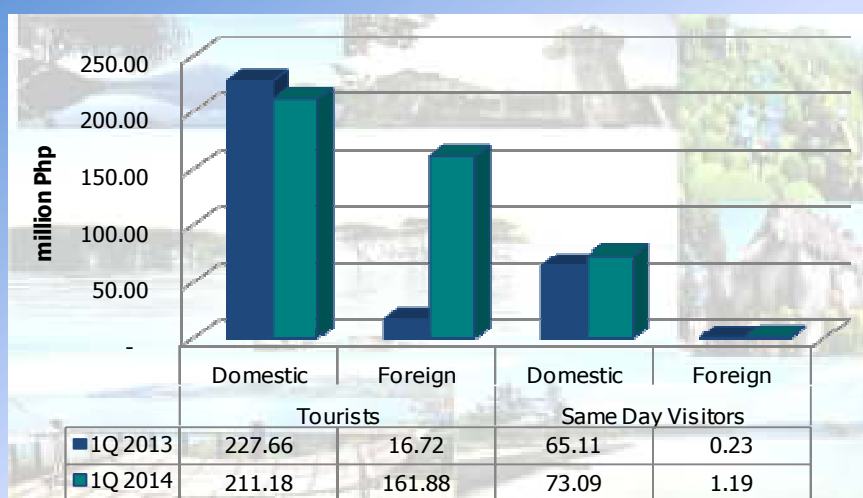
The huge increase in foreign arrivals was due to the effect of the extensive sales missions and promotional campaigns the Department of Tourism has conducted. Moreover, the number of hotels and accommodation facilities submitting tourist arrival statistics has increased substantially through the assistance of the Local Government Units. On the other hand, the slight decrease in domestic tourist arrivals may be attributed to the disasters and the destructive typhoons in the latter part of CY 2013.

The recorded increase in the number of visitor arrivals translated to higher visitor receipts estimated at Php447.34 Million or up by 44.4 percent. The gain was influenced by the remarkable increase of 861.8 percent of the foreign visitor receipts reaching Php163.07 Million from its record of only Php16.96 Million in the first quarter of CY 2013. Tourist receipts reached Php373.06 Million (up by 52.7 percent) while same day visitor receipts was recorded at Php74.27 Million (up by 13.7 percent). The computed average daily expenditure per tourist for domestic was Php1,000 and Php1,640 (at Php41/\$) for foreign. The average length of stay for both domestic and foreign tourists was only two days. Same day visitors' average expenditure was Php700.

**Visitor Arrivals, Region 2, 1st Quarter, CY 2013 and 2014**



**Visitor Receipts (in million Php), Region 2  
1st Quarter, CY 2013 and 2014**



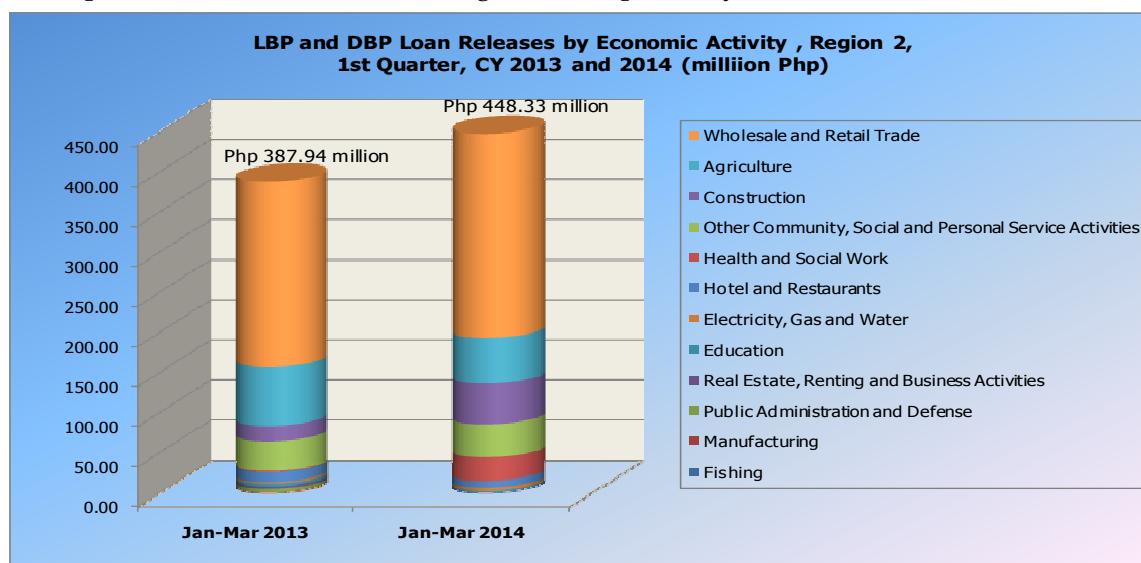
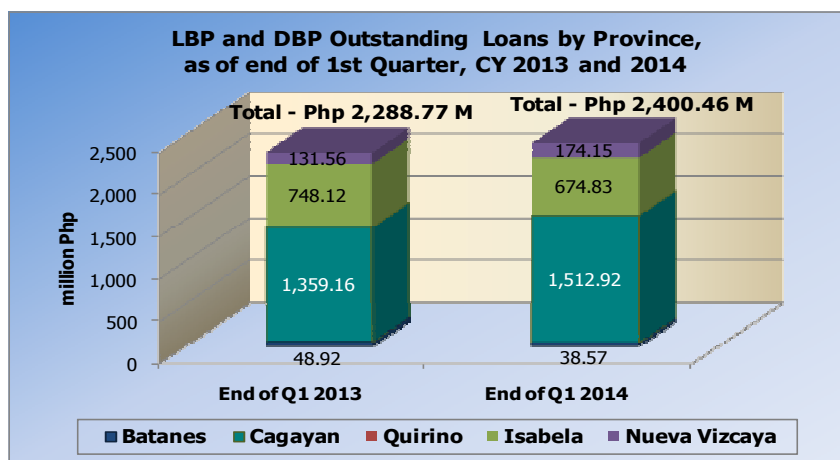
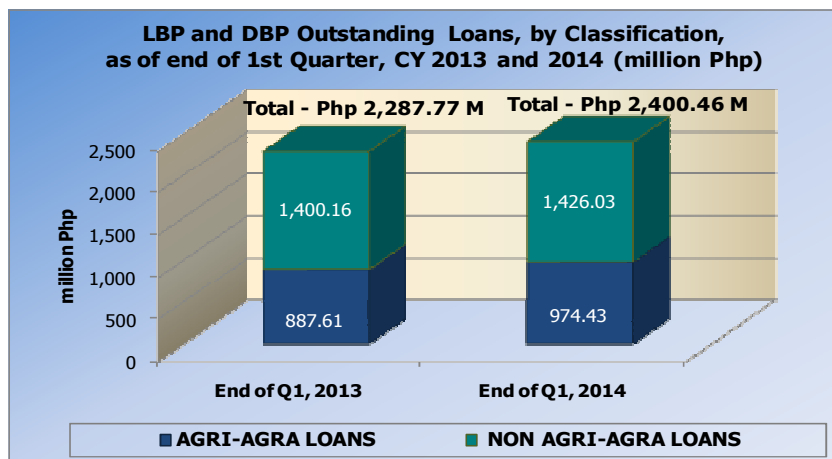


## Loan Availments/Development Financing<sup>1</sup>

The total outstanding loans of government-owned financial institutions Land Bank of the Philippines and Development Bank of the Philippines reached Php2.4 Billion as of the first quarter of CY 2014, a 4.9 percent increase from the Php2.29 Billion outstanding loans as of the first quarter last year. Loans apportioned to the agri-agra sector was about 40.6 percent of the total outstanding loans at Php974.43 Million, higher by 9.8 percent compared to Php887.61 million in the same period last year. Loans for small and medium enterprises accounted 17.1 percent followed by loans to small farmers and fisherfolks at 9.2 percent, loans to large enterprises at 7.4 percent, loans to local government units at 6.9 percent and easy home loans at only 0.1 percent.

Meanwhile, non agri-agra loans which comprised 59.4 percent of total loan availment, expanded by 1.8 percent to Php1.43 Billion. Loans to LGUs shared about 17.5 percent; GOCCs at 1.6 percent and the remaining 40.3 percent were loans for other purposes such as loans to individuals, private corporations and SMEs.

Based on the available data, across provinces, outstanding loans extended to Cagayan (63.03% of total loans) and Nueva Vizcaya (7.25 percent) exhibited increases of 11.3 percent and 32.4 percent, respectively. On the other hand, weaker bank lending in Isabela and Batanes were observed at 9.8 percent and 21.2 percent declines in outstanding loans, respectively.



<sup>1</sup> Data available from the Land Bank of the Philippines-Cagayan Lending Center consist only the Batanes and Cagayan provinces

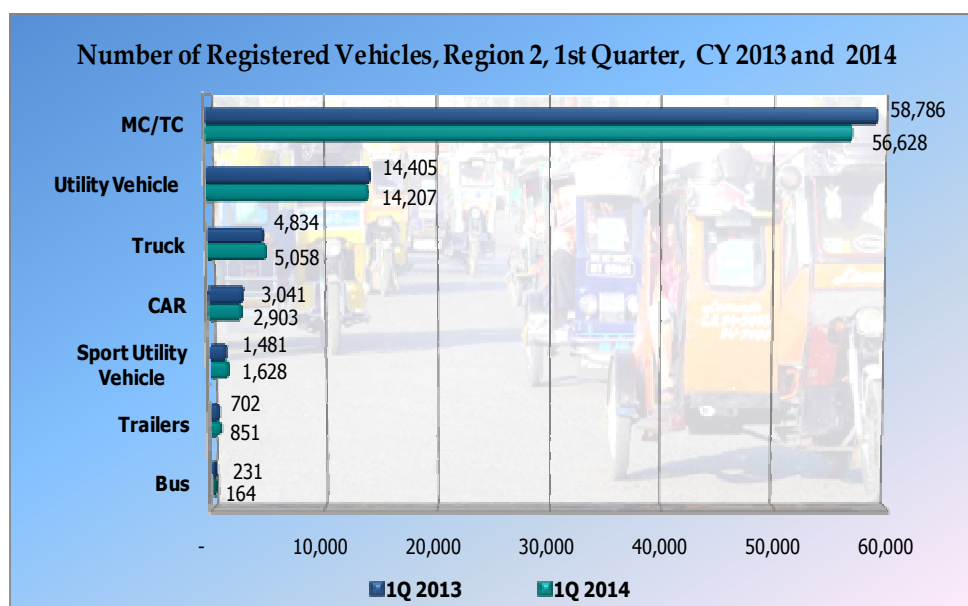


Similarly, loan releases of both banks for the first three months of the year also increased by 15.57 percent from Php387.94 Million to Php448.33 Million. More than half of the loans released or about 56.9 percent were apportioned to wholesale and retail trade and the remaining 43.1 percent were shared by agriculture at 12.7%; construction at 11.4%; other community, social and personal service activities at 9.2%; health and social work at 6.4%; hotel and restaurants at 2.0%; electricity, gas and water at 0.9%; education at 0.4 percent; and, real estate, renting and business activities at 0.1%. Lending to the construction industry grew remarkably at Php51.04 Million, more than double the Php19.04 Million extended for the same quarter in 2013. Loan releases to health and social work soared from a meager Php1.1 Million to Php28.7 Million. On the contrary, loan availment from the agriculture sector considerably declined from Php73.47 Million to Php56.99 Million.

## Transport and Communication

### Land Transport

The region's motor vehicles registered in the first quarter of CY 2014 totaled to 81,439, a 2.4 percent decline from the 83,480 registered vehicles in the same quarter last year. The slight decline was mainly attributed to the lower registered motorcycles/tricycles (down by 3.7 percent to 56,628) which accounted for 69.5 percent of the total vehicle registrations. More than three-fourths of the vehicles registered for the period were private vehicles followed by public utility vehicles accounting for 22.7 percent and the remaining 0.9 percent was government and exempted vehicles.



Despite the decline in the motor vehicle registration for the period, revenues generated still improved by 7.2 percent year-on-year to Php152.606 Million. This can be attributed to the increase in revenue generated from the majority of the district/extension offices in the region. The strong growth in revenues generated from Tuguegarao district office, Cauayan extension office, Santiago extension office and Bayombong district office contributed the most to the increase in revenues but was, however, partly offset by the decline in the revenues generated from the Aparri district office.

The relatively upbeat performance of the core transactions was a result of the retooling of personnel in terms of knowledge and skill and the strict observance of the Anti-Red Tape Act, Anti-Fixing and the No-Noon Break Policy. Moreover, extensive and intensive information drive on the importance of motor vehicle registration, professional driver's license, and law enforcement were conducted.



## Air Transport

The number of flights to and from the region in the first quarter of CY 2014 surged by 88.5 percent to 2,825 compared to the 1,499 flights in the same period the previous year. The remarkable increase was mainly attributed to the strong growth in the aircraft movement across all airports.

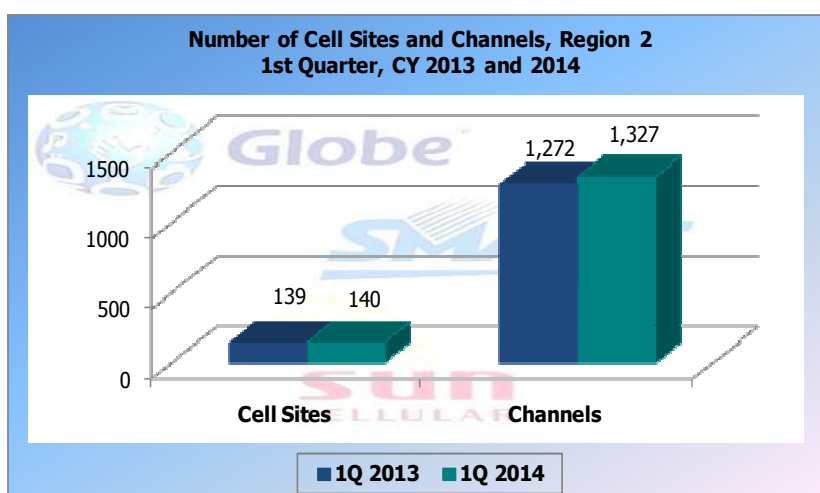
The increase in the number of flights, likewise translated to an increase in passenger movement during the quarter. The total passenger movement grew by 29.3 percent year-on-year from 57,463 to 74,277. The Tuguegarao Airport remained the busiest airport in the region in terms of passenger traffic with 40,503 passengers or about 54.5 percent of the total passengers. Meanwhile, the increase in the passenger movement in the Basco airport from 7,018 passengers to 15,751 passengers made the Basco airport the second busiest airport during the period.

Similarly, cargo movement also posted strong growth during the quarter from 689,451 kilograms to 847,620 kilograms or an increase of 22.9 percent. The year-on-year increase was mainly attributed to the increased cargo movement in the Tuguegarao, Palanan and Cauayan airports which posted growth rates of 18.8 percent, 1150 percent and 27 percent, respectively.

## Telecommunication

For the first quarter of CY 2014, the total number of licensed cell sites reached 140 from the 139 cell sites recorded in the same period in the previous year.

Smart Communications, Inc. accounted for 43.6% of the total cell sites, followed by Globe Telecom (37.1%) and Sun Cellular (19.3%). Meanwhile, Smart Communications was the only service provider that had registered an increase in available channels, hence, increasing the total channels available in the region from 1,272 to 1,327 and consequently expanding the coverage area. Majority of the cell sites and channels were located in the Cagayan and Isabela provinces. In the Quirino province, only the Globe Telecom had cell sites and channels available to cater to the telecommunication needs of the residents.



## Mining and Quarrying

Production of metallic and non-metallic mineral commodities in the region for the first quarter of the year registered an increase of 5.9 percent year-on-year to 541,686.50 cubic meters (cu. m.). Sand and gravel, which comprised 73.7 percent of the total mineral production, rose by 59.9 percent to 399,027.50 cu. m. The increase in the production was attributed to the increased demand for construction purposes. Production in Isabela and Nueva Vizcaya went up by 129.4% and 25.4%, respectively, while production in Quirino declined by 55.6% attributed to the decrease in demand for construction. There was no recorded production for sand and gravel in Cagayan in the first quarter this year. Meanwhile, magnetite sand production in Cagayan, which accounted for 20.4 percent of the total mineral output, declined by 56.6 percent year-on-year to 110,500 cu. m. as concerned government agencies strengthened monitoring activities due to violations committed by some permittees. The remaining mineral commodities produced during the quarter were copper concentrates with 25,438 cu. m. or 4.7% of total mineral output and boulders with 6,721 cu. m. or 1.3% of the total mineral output. Copper production started only in April 2013 with the operation of OceanaGold Philippines Incorporated in Nueva Vizcaya.



## Development Prospects

**Below are the following interventions expected to affect the growth and development of the region in the succeeding quarter:**

- For the agriculture sector, the projected occurrence of El Niño starting June and expected to peak by end-2014 could have an adverse effect to the region's agricultural production. The prolonged dry spell would be detrimental to crop production and may cause high mortality rate of livestock and farm animals and fishery commodities. This would bring scarcity of food supply which may aggravate inflation. To cushion the impact of the extended dry spell, mitigation and adaptation measures of the Department of Agriculture (DA) are being put in place. These government interventions include intensified cloud seeding operations, distribution of shallow tube wells and drought-tolerant crop varieties, and promotion of water-saving technologies such as controlled irrigation or alternate wetting and drying technology. Other defense strategies also include installation of efficient and innovative agri-fishery technologies such as the construction of dike peripheral, deepening of fishponds to promote tidal intrusion and the use of aqua species tolerant to saline water.
- The participation of the region in the DA's Philippine Rural Development Program (PRDP) set for implementation this year will help promote agricultural products with comparative advantages. The program, which aims to establish a platform of inclusive value-oriented and climate-resilient agricultural and fishery sector, is expected to address low income, low productivity and low resiliency to climate change and related disasters in the region.
- The distribution of hybrid seeds and other drought-tolerant crops to farmers in the next quarters by the Department of Agriculture RO2 could improve crop production in the region amid the dry spell.
- The dispersal of 17.7 million fingerlings to communal bodies of water, fishpond and fish cage operators in the region by the Bureau of Fisheries and Aquatic Resources (BFAR) Region 2 in 2014 could expand aquaculture production in the region. In addition, the distribution of seaweed propagules, provision of cages, and establishment of technology demonstrations on aquaculture such as aqua parks and mariculture will further improve production.
- The distribution of environment-friendly fishing gears and engines, rehabilitation of fishing gears and boats damaged by typhoon in 2013, and the deployment of payaos (fish aggregating devices) could boost municipal fishing in the region.
- Full operation of six community-based hatcheries in the coastal areas of the region is expected to increase fishery production especially for high value species.
- For industry and services sectors, the projects of the Department of Trade and Industry RO 2 such as Shared Service Facilities (SSF) and SME Roving Academy (SMERA) will focus on the further growth of the micro, small and medium enterprises (MSMEs).
- The opening of SM shopping mall in Cauayan City, Isabela in the second quarter of CY 2014 is expected to enhance job employment and increase economic activities in the region.
- The continuous development and improvement of access roads to tourist destinations under the DOT-DPWH Convergence Program and the increased exposure of some of the tourist attractions in the region through the US television series Survivor: Cagayan which was shown in at least 156 countries will promote tourism in the region.



- The development of more tourism products due to the Grassroots Participatory Budgeting Program of the government and the organization of various tourism stakeholders associations will hasten tourism development in the region. In addition, more LGUs are prioritizing tourism development as a tool for job generation and increased income for the community.
- The continuous development of infrastructure projects in the Cagayan Special Economic Zone and Freeport (CSEZFP) such as the Lal-lo International Airport in Cagayan which is expected to be operational this year, and Port Irene which is foreseen as an emerging major transshipment hub, are seen to spur economic, investment and tourism growth in the region. The Freeport's state-of-the-art telecommunication facilities which include a telco-grade internet data center, a Cyberpark, and redundant fiber optic connectivity can promote the CSEZFP to be an ideal base for Business Process Management operations and help generate employment.



## TABLES for the First Quarter Economic Report

Consumer Price Index for All Income Households (2006 = 100)

Region 02: First Quarter, CY 2012-2014

COMMODITY GROUP	1Q 2012	1Q 2013	1Q 2014	Inflation '13	Inflation '14
<b>ALL ITEMS</b>	<b>129.6</b>	<b>133.3</b>	<b>139.5</b>	<b>2.9%</b>	<b>4.7%</b>
<b>I. FOOD AND NON-ALCOHOLIC BEVERAGES</b>	<b>140.6</b>	<b>141.9</b>	<b>150.9</b>	<b>0.9%</b>	<b>6.3%</b>
* Food	142.0	143.3	152.8	0.9%	6.7%
Bread and Cereals	144.1	146.7	164.2	1.8%	11.9%
Rice	145.8	147.7	169.2	1.3%	14.5%
Corn	142.7	132.6	127.5	-7.1%	-3.8%
Meat	130.1	131.1	136.9	0.7%	4.4%
Fish	142.6	144.9	149.5	1.6%	3.2%
Milk, Cheese and Eggs	127.9	131.4	133.7	2.7%	1.8%
Oils and Fats	144.1	136.6	141.8	-5.2%	3.8%
Fruit	164.6	161.9	168.8	-1.7%	4.3%
Vegetables	166.1	162.6	175.0	-2.1%	7.6%
Sugar, Jam, Honey, Chocolate and Confectionery	117.9	123.9	123.1	5.0%	-0.6%
Food Products N.E.C.	136.8	141.1	145.5	3.1%	3.1%
* Non-alcoholic Beverages	119.3	121.9	120.6	2.2%	-1.1%
<b>II. ALCOHOLIC BEVERAGES AND TOBACCO</b>	<b>125.1</b>	<b>167.0</b>	<b>180.0</b>	<b>33.5%</b>	<b>7.8%</b>
Alcoholic Beverages	119.8	129.1	138.4	7.7%	7.2%
Tobacco	131.1	209.3	226.3	59.6%	8.1%
<b>NON-FOOD</b>	<b>119.7</b>	<b>123.5</b>	<b>126.9</b>	<b>3.1%</b>	<b>2.8%</b>
<b>III. CLOTHING AND FOOTWEAR</b>	<b>111.8</b>	<b>119.0</b>	<b>123.0</b>	<b>6.4%</b>	<b>3.4%</b>
Clothing	110.9	118.2	122.8	6.6%	3.9%
Footwear	114.3	121.0	123.4	5.8%	2.0%
<b>IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS</b>	<b>122.8</b>	<b>125.5</b>	<b>130.5</b>	<b>2.2%</b>	<b>4.0%</b>
Actual Rentals for Housing	112.6	115.5	117.3	2.5%	1.6%
Maintenance and Repair of the Dwelling	124.2	129.9	131.4	4.6%	1.2%
Water Supply and Miscellaneous Services Relating to the Dwelling	109.1	115.4	115.4	5.8%	0.0%
Electricity, Gas and Other Fuels	137.3	139.4	149.4	1.5%	7.2%
<b>V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE</b>	<b>116.7</b>	<b>121.5</b>	<b>124.6</b>	<b>4.1%</b>	<b>2.5%</b>
Furniture and Furnishings, Carpets and Other Floor Coverings	105.5	105.4	105.9	-0.1%	0.4%
Household Textiles	105.8	109.1	109.4	3.1%	0.2%
Household Appliances	103.5	104.8	105.8	1.3%	1.0%
Glassware, Tableware and Household Utensils	114.2	118.6	119.7	3.9%	1.0%
Tools and Equipment for House and Garden	115.6	121.1	122.5	4.7%	1.2%
Goods and Services for Routine Household Maintenance	121.5	127.8	131.9	5.1%	3.2%



COMMODITY GROUP	1Q 2012	1Q 2013	1Q 2014	Inflation '13	Inflation '14
VI. HEALTH	117.8	124.6	130.4	5.8%	4.7%
Medical Products, Appliances and Equipment	116.8	119.7	121.1	2.5%	1.1%
Out-patient Services	113.9	120.2	123.8	5.6%	3.0%
Hospital Services	126.1	142.3	161.2	12.9%	13.3%
VII. TRANSPORT	134.4	136.4	137.2	1.5%	0.6%
Operation of Personal Transport Equipment	121.5	125.9	129.6	3.7%	2.9%
Transport Services	138.2	139.4	139.4	0.9%	0.0%
VIII. COMMUNICATION	89.4	89.2	89.2	-0.3%	0.0%
Postal Services	134.9	135.0	140.5	0.1%	4.1%
Telephone and Telefax Equipment	52.7	49.6	49.6	-5.9%	0.0%
Telephone and Telefax Services	101.7	102.4	102.4	0.7%	0.0%
IX. RECREATION AND CULTURE	95.5	99.5	100.8	4.2%	1.3%
Audio-visual, Photographic and Information Processing Equipment	84.9	88.1	88.4	3.8%	0.3%
Other Major Durables for Recreation and Culture					
Other Recreational Items and Equipment, Gardens and Pets	99.8	104.1	105.2	4.3%	1.1%
Recreational and Cultural Services	102.2	110.7	116.1	8.4%	4.9%
Newspapers, Books and Stationery	111.0	114.2	115.6	2.9%	1.2%
X. EDUCATION	120.2	125.8	132.1	4.7%	5.0%
Pre-primary and Primary Education	120.8	136.9	153.3	13.3%	12.0%
Secondary Education	130.2	131.8	132.9	1.2%	0.8%
Tertiary Education	116.4	116.6	118.0	0.2%	1.2%
Education Not Definable by Level					
XI. RESTAURANTS AND MISCELLANEOUS GOODS AND SERVICES	115.5	121.2	122.5	4.9%	1.0%
Catering Services	119.1	124.6	125.3	4.6%	0.6%
Personal Care	110.8	116.4	117.9	5.1%	1.3%
Personal Effects N.E.C.	116.3	126.1	132.0	8.5%	4.7%

Source: Philippine Statistics Authority-National Statistics Office Region 2

### Employment Performance

#### Region 2: January Labor Force Survey, CY 2013 and CY 2014

Indicator		Jan 2013	Jan 2014
Household Population 15 Years Old and Over	Number ('000)	2,267	2,305
Labor Force Participation	Number ('000)	1,471	1,531
	Rate (%)	64.9	66.4
Employment	Number ('000)	1,422	1,473
	Rate (%)	96.7	96.2
Unemployment	Number ('000)	49	58
	Rate (%)	3.3	3.8
Underemployment	Number ('000)	222	149
	Rate (%)	15.6	10.1

Source: Source: Philippine Statistics Authority-National Statistics Office Region 2  
LFS January Round



**Employed Persons by Broad Industry Group****Region 2: January Labor Force Survey, CY 2013 and CY 2014**

Indicator (in thousands)	Jan 2013	Jan 2014
<b>Total Employed Persons</b>	<b>1,422</b>	<b>1,473</b>
Agriculture, Hunting, Forestry and Fishing	801	862
Industry	104	115
Services	515	496

Source: Source: Philippine Statistics Authority-National Statistics Office Region 2  
LFS January Round

**Employed Persons by Class of Worker****Region 2: January Labor Force Survey, CY 2013 and CY 2014**

Indicator (in thousands)	Jan 2013	Jan 2014
<b>Total Employed Persons</b>	<b>1,422</b>	<b>1,473</b>
Wage and salary workers	822	778
Self-employed workers without any paid employee	224	242
Employers in own family-operated farm or business	213	220
Unpaid family workers	163	233

Source: Source: Philippine Statistics Authority-National Statistics Office Region 2  
LFS January Round

**Palay Production, in metric tons (MT)****Region 2: First Quarter, CY 2013 and CY 2014**

Province	Irrigated		Rainfed		Upland		Total	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Batanes	no data	3	no data	no data	-	-	no data	3
Cagayan	176,581	136,846	53,987	58,886	-	308	230,568	196,040
Isabela	374,825	299,820	22,578	26,144	-	-	397,403	325,964
Nueva Vizcaya	51,493	50,932	5,074	4,744	-	-	56,567	55,676
Quirino	33,460	31,671	1,345	1,401	-	-	34,805	33,072
<b>Total</b>	<b>636,359</b>	<b>519,272</b>	<b>82,984</b>	<b>91,175</b>	<b>-</b>	<b>308</b>	<b>719,343</b>	<b>610,755</b>

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2

**Area Harvested for Palay, in hectares (Ha)****Region 2: First Quarter, CY 2013 and CY 2014**

Province	Irrigated		Rainfed		Upland		Total	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Batanes	no data	1	no data	no data	no data	no data	no data	1
Cagayan	40,454	35,179	20,925	25,492	-	268	61,379	60,939
Isabela	83,884	64,896	8,283	10,269	-	-	92,167	75,165
Nueva Vizcaya	12,344	12,140	1,792	1,616	-	-	14,136	13,756
Quirino	7,668	7,580	438	464	-	-	8,106	8,044
<b>Total</b>	<b>144,350</b>	<b>119,796</b>	<b>31,438</b>	<b>37,841</b>	<b>-</b>	<b>268</b>	<b>175,788</b>	<b>157,905</b>

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2



**Palay Productivity, in MT/Ha**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Province	Irrigated		Rainfed		Upland		Total	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Batanes	no data	3.00	no data	no data	no data	no data	no data	3.00
Cagayan	4.36	3.89	2.58	2.30	-	1.15	3.76	3.22
Isabela	4.47	4.62	2.73	2.55	-	-	4.31	4.34
Nueva Vizcaya	4.17	4.20	2.83	2.94	-	-	4.00	4.05
Quirino	4.36	4.18	3.07	3.02	-	-	4.29	4.11
<b>Total</b>	<b>4.41</b>	<b>4.33</b>	<b>2.64</b>	<b>2.41</b>	<b>-</b>	<b>1.15</b>	<b>4.09</b>	<b>3.87</b>

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2

**Corn Production, in metric tons (MT)**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Province	White		Yellow		Total	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Batanes	no data	7	no data	78	no data	32
Cagayan	16,839	13,333	145,608	127,251	38,749	37,571
Isabela	10,918	5,781	475,688	439,146	114,942	102,356
Nueva Vizcaya	1,278	1,473	25,801	27,705	6,770	6,932
Quirino	196	218	70,908	45,196	15,620	10,630
<b>Total</b>	<b>29,231</b>	<b>20,812</b>	<b>718,005</b>	<b>639,376</b>	<b>176,081</b>	<b>157,521</b>

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2

**Area Harvested for Corn, in hectares (Ha)**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Province	White		Yellow		Total	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Batanes	no data	7	no data	25	no data	32
Cagayan	6,028	5,985	32,721	31,586	38,749	37,571
Isabela	4,055	2,550	110,887	99,806	114,942	102,356
Nueva Vizcaya	477	489	6,293	6,443	6,770	6,932
Quirino	70	70	15,550	10,560	15,620	10,630
<b>Total</b>	<b>10,630</b>	<b>9,101</b>	<b>165,451</b>	<b>148,420</b>	<b>176,081</b>	<b>157,521</b>

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2

**Corn Productivity, in MT/Ha**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Province	White		Yellow		Total	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Batanes	no data	1.00	no data	3.12	no data	2.66
Cagayan	2.79	2.23	4.45	4.03	4.19	3.74
Isabela	2.69	2.27	4.29	4.40	4.23	4.35
Nueva Vizcaya	2.68	3.01	4.10	4.30	4.00	4.21
Quirino	2.80	3.11	4.56	4.28	4.55	4.27
<b>Total</b>	<b>2.75</b>	<b>2.29</b>	<b>4.34</b>	<b>4.31</b>	<b>4.24</b>	<b>4.19</b>

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2



**Production estimates for Livestock and Poultry (liveweight, in MT)**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Commodity	1Q 2013	1Q 2014
<b>Poultry</b>	<b>14,482</b>	<b>14,638</b>
Chicken	13,870	14,033
Duck	612	605
<b>Livestock</b>	<b>23,672</b>	<b>23,892</b>
Goat	465	459
Cattle	3,780	3,926
Carabao	1,971	1,967
Swine	17,456	17,540

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2

**Production Estimates and Area Harvested for Fisheries**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Commodity	Production (MT)		Area Harvested (Ha)	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014
COMMERCIAL	2,171.91	2,133.68	n/a	n/a
Cagayan	2,171.91	2,133.68	n/a	n/a
MUNICIPAL	8,324.46	8,537.25	n/a	n/a
Marine	4,841.41	5,087.55	n/a	n/a
Cagayan	4,271.20	4,532.52	n/a	n/a
Batanes	419.57	405.78	n/a	n/a
Isabela	150.64	149.25	n/a	n/a
Inland	3,483.05	3,449.70	n/a	n/a
Cagayan	2,307.08	2,164.03	n/a	n/a
Isabela	837.19	899.83	n/a	n/a
Nueva Vizcaya	244.60	289.77	n/a	n/a
Quirino	94.18	96.07	n/a	n/a
AQUACULTURE	3,264.00	2,418.56	671.71	669.56
Cagayan	1,616.27	767.08	178.47	172.05
Isabela	1,226.58	1,299.51	314.82	343.38
Nueva Vizcaya	288.84	247.36	130.79	119.05
Quirino	132.32	104.61	47.64	35.08
<b>Region 2 Total Fisheries</b>	<b>13,760.37</b>	<b>13,089.49</b>	n/a	n/a

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2



**Farmgate Price of Selected Commodities**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Commodity	Average Price (Php/kg)	
	1Q 2013	1Q 2014
<b>Cereals</b>		
Palay, Dry	15.90	20.88
Corn matured, white	10.86	11.22
Corn matured, yellow	11.80	11.87
<b>Vegetables, Rootcrops and Condiments</b>		
Tomato	10.28	6.77
Eggplant long, purple	18.71	25.40
Cabbage	9.38	8.93
Cassava fresh tubers	7.47	5.04
Sweet potato (camote)	9.19	9.35
Garlic	76.13	68.10
Onion, red creole, bermuda	18.89	18.82
Onion, red shallot, native	NT	36.90
Peanut w/ shell, dry	36.90	34.56
Mongo, green labo	NT	NT
Ampalaya	26.26	26.43
Chayote	5.89	6.86
Gabi tagalog (for sinigang)	15.21	12.31
Pechay native	11.56	12.75
Pepper finger (panigang)	24.94	26.45
Pepper bell (red and green)	NT	29.62
Squash	10.57	8.27
Stringbeans (long)	16.51	20.85
<b>Fruits</b>		
Banana green, bungulan	7.56	7.42
Banana green, lakatan	16.35	20.62
Banana green, latundan	10.46	13.22
Banana green, saba	9.72	8.34
Pineapple, hawaiian	10.53	9.29
Mango green, carabao	19.28	22.67
Mango green, indian	NT	NT
Calamansi	39.38	39.08
Papaya hawaiian	9.76	10.55
Papaya native	NT	7.61
<b>Non Food, Industrial and Commercial Crops</b>		
Coconut young	3.65	4.18
Coconut matured	6.64	7.01
Tobacco native, dry	NT	NT
Tobacco burley, dry	NT	NT
<b>Livestock and Poultry</b>		
Carabao for slaughter	81.20	85.85
Cattle for slaughter	84.09	89.07
Hog for slaughter	108.50	112.61
Goat for slaughter	125.60	132.93
Duck for meat, backyard	129.63	129.47

Source: Philippine Statistics Authority-Bureau of Agricultural Statistics Region 2

\* NT - No Trading; no harvest



**Comparative Visitor Arrivals and Receipts**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Particulars	Arrivals		Receipts (in million Php)	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014
<b>Tourists</b>				
Domestic	113,828	105,591	227.656	211.182
Foreign	5,099	49,354	16.725	161.881
<i>Subtotal</i>	<i>118,927</i>	<i>154,945</i>	<i>244.381</i>	<i>373.063</i>
<b>Same Day Visitors</b>				
Domestic	93,014	104,416	65.110	73.091
Foreign	329	1,694	0.230	1.186
<i>Subtotal</i>	<i>93,343</i>	<i>106,110</i>	<i>65.340</i>	<i>74.277</i>
<b>Grand Total</b>	<b>212,270</b>	<b>261,055</b>	<b>309.721</b>	<b>447.340</b>

Source: Department of Tourism RO 2

**Regional Distribution of Travelers/Tourists**  
**Region 2: First Quarter, CY 2013 and CY 2014**

County of Residence	1Q 2013	1Q 2014
<b>Philippine Residents (Domestic)</b>	<b>113,828</b>	<b>105,591</b>
Filipino Nationality	113,541	99,247
Foreign Nationality	287	6,344
<b>Non-Philippine Residents (Foreign)</b>		
ASIA		
ASEAN		
Brunei	2	2
Cambodia	0	0
Indonesia	2	2
Laos	0	0
Malaysia	21	19
Myanmar	8	7
Singapore	19	43
Thailand	9	7
Vietnam	0	6
EAST ASIA		
China	1,920	46,015
Hong Kong	4	38
Japan	191	102
Korea	273	138
Taiwan	172	854
SOUTH ASIA		
Bangladesh	2	2
India	88	40
Iran	0	0
Nepal	9	0
Pakistan	24	8
Sri Lanka	2	0
MIDDLE EAST		
Bahrain	0	0
Egypt	0	10
Israel	0	0
Jordan	3	8
Kuwait	0	6
Saudi Arabia	14	4
United Arab Emirates	3	16



County of Residence	1Q 2013	1Q 2014
AMERICA		
NORTH AMERICA		
Canada	105	118
Mexico	2	0
USA	581	559
SOUTH AMERICA		
Argentina	0	10
Brazil	0	2
Colombia	0	5
EUROPE		
WESTERN EUROPE		
Austria	26	25
Belgium	3	21
France	39	40
Germany	76	36
Luxembourg	0	0
Netherlands	7	8
Switzerland	71	7
NORTHERN EUROPE		
Denmark	39	3
Finland	15	12
Ireland	5	2
Norway	16	102
Sweden	47	9
United Kingdom	131	99
SOUTHERN EUROPE		
Greece	0	12
Italy	9	12
Portugal	0	0
Spain	22	0
Union of Serbia and Montenegro	0	0
EASTERN EUROPE		
Commonwealth of Independent States	0	0
Poland	5	5
Russia	15	289
AUSTRALASIA/PACIFIC		
Australia	172	101
Guam	17	4
Nauru	0	0
New Zealand	3	3
Papua New Guinea	9	0
AFRICA		
Nigeria	3	2
South Africa	3	21
OTHERS AND UNSPECIFIED RESIDENTS	891	514
<b>GRAND TOTAL TOURISTS ARRIVALS</b>	<b>118,927</b>	<b>154,945</b>
Philippine Residents (Domestic)	113,828	105,591
Non-Philippine Residents (Foreign)	5,078	49,348
Overseas Filipinos	21	6

Source: Department of Tourism RO 2



**LBP Outstanding Loans by Industries\* (in million Php)**  
**Region 2: As of March 31, CY 2013 and CY 2014**

Industries	End of 1Q 2013				End of 1Q 2014			
	O/S Balance		% Share		O/S Balance		% Share	
	Batanes	Cagayan			Batanes	Cagayan		
<b>AGRI-AGRA LOANS</b>								
SMEs	11.867	203.389	215.256	25.7	16.286	394.062	410.348	42.1
LGU Loans	26.739	160.573	187.312	22.3	22.284	142.640	164.924	16.9
Small farmers & fisherfolks	10.316	260.106	270.422	32.2	0.000	220.706	220.706	22.6
Livelihood Loans	-	-	-	-	-	-	-	-
Large Enterprise	-	153.944	153.944	18.4	-	176.500	176.500	18.1
Easy Home Loan	-	11.777	11.777	1.4	-	1.955	1.955	0.2
Sub-Total	48.922	789.789	838.711		38.570	935.863	974.433	
<b>NON AGRI-AGRA LOANS</b>								
LGU Loans	-	-	-		-	-	-	
GOCCs	-	-	-		-	-	-	
Others	-	-	-		-	-	-	
Sub-Total	-	-	-		-	-	-	
<b>Total</b>	<b>48.922</b>	<b>789.789</b>	<b>838.711</b>		<b>38.570</b>	<b>935.863</b>	<b>974.433</b>	

Source: Land Bank of the Philippines - Cagayan Lending Center

\* No data for the provinces of Isabela, Quirino and Nueva Vizcaya

**LBP Outstanding Loans by Provinces (in million Php)**  
**Region 2, As of March 31, CY 2013 and CY 2014**

Provinces	End of 1Q 2013		End of 1Q 2014	
	O/S Balance	% Share	O/S Balance	% Share
Batanes	48.922	5.8	38.570	4.0
Cagayan	789.789	94.2	935.863	96.0
Quirino	no data	no data	no data	no data
Isabela	no data	no data	no data	no data
Nueva Vizcaya	no data	no data	no data	no data
<b>Total</b>	<b>838.711</b>	<b>100.0</b>	<b>974.433</b>	<b>100.0</b>

Source: Land Bank of the Philippines - Cagayan Lending Center



**LBP Loan Releases, by Economic Activity\* (in million Php)**  
**Region 2: As of March 31, CY 2013 and CY 2014**

Economic Activities	Jan-Mar 2013		Jan-Mar 2014	
	O/S Balance	% Share	O/S Balance	% Share
Agriculture	67.47	23.2%	56.99	15.5%
Electricity, Gas and Water	2.20	0.8%	3.40	0.9%
Construction	19.14	6.6%	50.54	13.8%
Wholesale and Retail Trade, Repair & Motor Vehicles	199.89	68.7%	227.10	61.8%
Real Estate, Renting & Bus. Activities	-	-	0.50	0.1%
Health & Social work	1.10	0.4%	28.70	7.8%
Hotels and Restaurants	1.30	0.4%	-	-
<b>TOTAL</b>	<b>291.10</b>	<b>100.0%</b>	<b>367.23</b>	<b>100.0%</b>

Source: Land Bank of the Philippines - Cagayan Lending Center

\* No data for the provinces of Isabela, Quirino and Nueva Vizcaya

**DBP Outstanding Loans by Provinces (in million Php)**  
**Region 2: As of March 31, CY 2013 and CY 2014**

Provinces	As of March 31, 2013		As of March 31, 2014	
	O/S Balance	% Share	O/S Balance	% Share
Batanes	-	0.0%	-	0.0%
Cagayan	569.37	39.3%	577.05	40.5%
Quirino	-	0.0%	-	0.0%
Isabela	748.12	51.6%	674.83	47.3%
Nueva Vizcaya	131.56	9.1%	174.15	12.2%
<b>Total</b>	<b>1,449.05</b>	<b>100.0%</b>	<b>1,426.03</b>	<b>100.0%</b>

Source: Development Bank of the Philippines – RMC Northeastern Luzon



**DBP Outstanding Loans by Industries (in million Php)**  
**Region 2: As of March 31, CY 2013 and CY 2014**

Loan Purpose	As of March 31, 2013		As of March 31, 2014	
	O/S Balance	% Share	O/S Balance	% Share
<b>Agri-Agra Loans</b>				
SMEs	48.90	3.4%	-	-
LGU Loans	-	-	-	-
Small Farmers and Fisherfolks	-	-	-	-
Livelihood Loans	-	-	-	-
<i>Sub-total</i>	48.90	3.4%	-	-
<b>Non Agri-Agra Loans</b>				
LGU Loans	470.77	32.5%	419.27	29.4%
GOCCs	37.73	2.6%	38.87	2.7%
Others	891.66	61.5%	967.88	67.9%
<i>Sub-total</i>	1,400.16	96.6%	1,426.03	100.0%
<b>Total</b>	<b>1,449.06</b>	<b>100.0%</b>	<b>1,426.03</b>	<b>100.0%</b>

*Source: Development Bank of the Philippines – RMC Northeastern Luzon*

**DBP Loans Releases, By Economic Activity (in million Php)**  
**Region 2: First Quarter, CY 2013 and CY 2014**

Economic Activities	Jan-Mar 2013		Jan-Mar 2014	
	O/S Balance	% Share	O/S Balance	% Share
Agriculture	6.00	6.2%	-	-
Manufacturing	0.75	0.8%	-	-
Electricity, Gas and Water	-	0.0%	0.47	0.6%
Construction	-	0.0%	0.50	0.6%
Wholesale and Retail Trade, Repair & Motor Vehicles	31.01	32.0%	27.94	34.4%
Real Estate, Renting & Bus. Activities	3.00	3.1%	-	-
Public Admin & Defense; Compulsary Social Security	4.22	4.4%	-	-
Education	3.59	3.7%	2.00	2.5%
Other Community, Social & Personal Service Act.	36.77	38.0%	41.20	50.8%
Hotels and Restaurants	11.50	11.9%	9.00	11.1%
<b>TOTAL</b>	<b>96.84</b>	<b>100.0%</b>	<b>81.11</b>	<b>100.0%</b>

*Source: Development Bank of the Philippines – RMC Northeastern Luzon*



**Number of Firms Registered, Investments and Employment Generated through the Business Registration Form  
Region 2: First Quarter, CY 2013 and CY 2014**

**I. Number of Firms**

Type of Industry	No. of Firms – 1Q 2013						No. of Firms – 1Q 2014					
	Batanes	Cagayan	Isabela	Quirino	N. Vizcaya	Total	Batanes	Cagayan	Isabela	Quirino	N. Vizcaya	Total
Manufacturing	16	62	63	17	85	243	18	87	78	21	64	268
Agri-Based Production	-	-	29	2	9	40	23	-	24	-	11	58
Construction	-	13	17	-	9	39	-	12	8	-	15	35
Trading	83	714	554	242	354	1,947	105	1237	1,399	181	477	3,399
Services	18	607	678	196	368	1,867	52	688	830	129	338	2,037
<b>Total</b>	<b>117</b>	<b>1,396</b>	<b>1,341</b>	<b>457</b>	<b>825</b>	<b>4,136</b>	<b>198</b>	<b>2,024</b>	<b>2,339</b>	<b>331</b>	<b>905</b>	<b>5,797</b>

Source: Department of Trade and Industry RO2 Business Name Registration

**II. Investments (in million Php)**

Type of Industry	Investments – 1Q 2013						Investments – 1Q 2014					
	Batanes	Cagayan	Isabela	Quirino	N. Vizcaya	Total	Batanes	Cagayan	Isabela	Quirino	N. Vizcaya	Total
Manufacturing	1.13	14.35	5.49	3.96	14.90	39.82	1.92	14.20	7.81	2.17	10.61	36.71
Agri-Based Production	-	-	118.24	1.00	1.21	120.44	0.73	-	27.77	-	5.33	33.83
Construction	-	27.50	6.41	-	33.40	67.31	-	39.20	1.53	-	105.15	145.88
Trading	18.68	204.55	210.91	30.34	85.81	550.28	17.62	230.53	127.57	38.07	51.70	465.49
Services	2.59	273.55	236.54	52.45	144.61	709.73	11.21	344.17	147.06	36.76	128.44	667.65
<b>Total</b>	<b>22.39</b>	<b>519.94</b>	<b>577.59</b>	<b>87.75</b>	<b>279.93</b>	<b>1,487.59</b>	<b>31.48</b>	<b>628.10</b>	<b>311.74</b>	<b>77.00</b>	<b>301.23</b>	<b>1,349.55</b>

Source: Department of Trade and Industry RO2 Business Name Registration



## III. Employment

Type of Industry	Employment - 1Q 2013						Employment - 1Q 2014					
	Batanes	Cagayan	Isabela	Quirino	N. Vizcaya	Total	Batanes	Cagayan	Isabela	Quirino	N. Vizcaya	Total
Manufacturing	23	195	132	52	221	623	31	234	199	49	149	662
Agri Based Production	-	-	78	9	24	111	29	-	95	-	23	147
Construction	-	138	51	-	69	258	-	131	17	-	237	385
Trading	124	1,758	1,001	214	748	3,845	151	2,367	2,018	263	770	5,569
Services	52	1,381	1,242	419	708	3,802	111	1,622	2,252	495	592	5,072
Total	199	3,472	2,504	694	1,770	8,639	322	4,354	4,581	807	1,771	11,835

Source: Department of Trade and Industry RO2 Business Name Registration

Number of Aircraft, Passenger and Cargo Movement  
Region 2: First Quarter, CY 2013 and CY 2014

Airports	Aircraft		Passengers		Cargoes	
	1Q 2013	1Q 2014	1Q 2013	1Q 2014	1Q 2013	1Q 2014
Tuguegarao	480	743	35,796	40,503	364,992	433,694
Basco	171	484	7,018	15,751	191,161	180,018
Cauayan	628	1,072	12,753	15,005	127,615	162,053
Bagabag	-	16	-	28	-	-
Itbayat	5	66	61	492	136	2,517
Palanan	215	444	1,835	2,498	5,547	69,338
<b>Total</b>	<b>1,499</b>	<b>2,825</b>	<b>57,463</b>	<b>74,277</b>	<b>689,451</b>	<b>847,620</b>

Source: Civil Aviation Authority of the Philippines Area Center 2



**Number of Cell Sites and Total Channels  
Region 2: First Quarter, CY 2013 and CY 2014**

Province	Company/Service Provider 1Q 2013						Company/Service Provider 1Q 2014					
	SUN CELLULAR		SMART		GLOBE		SUN CELLULAR		SMART		GLOBE	
	Cell Sites	Channels	Cell Sites	Channels	Cell Sites	Channels	Cell Sites	Channels	Cell Sites	Channels	Cell Sites	Channels
BATANES	0	0	6	44	0	0	0	0	6	45	0	0
CAGAYAN	5	66	26	231	24	165	5	66	25	265	24	165
ISABELA	16	222	23	263	20	162	16	222	25	279	20	162
N. VIZCAYA	6	58	5	20	6	32	6	58	5	24	6	32
QUIRINO	0	0	0	0	2	9	0	0	0	0	2	9
<b>TOTAL</b>	<b>27</b>	<b>346</b>	<b>60</b>	<b>558</b>	<b>52</b>	<b>368</b>	<b>27</b>	<b>346</b>	<b>61</b>	<b>613</b>	<b>52</b>	<b>368</b>

*Notes on the name of Company: Digitel Mobile Philippines, Inc. or Sun Cellular; Smart Communications, Inc.; and Globe Telecom, Inc.*

*Source: National Telecommunications Commission RO 2*

**Number of Motor Vehicles Registered By Classification  
Region 2: First Quarter, CY 2013 and CY 2014**

Classification/ Year	Type of Motor Vehicle							
	CAR	Utility Vehicle	Sport Utility Vehicle	Truck	Bus	MC/TC	Trailers	Total
<b>Private</b>								
1Q 2013	3,033	12,382	1,456	4,603	36	41,267	637	<b>63,414</b>
1Q 2014	2,895	12,092	1,587	4,822	39	39,983	758	<b>62,176</b>
<b>Government</b>								
1Q 2013	8	359	25	99	7	184	2	<b>684</b>
1Q 2014	8	390	38	115	8	191	2	<b>752</b>
<b>Public Utility</b>								
1Q 2013	-	1,663	-	132	188	17,335	63	<b>19,381</b>
1Q 2014	-	1,725	3	121	117	16,454	91	<b>18,511</b>
<b>Exempt</b>								
1Q 2013	-	1	-	-	-	-	-	<b>1</b>
1Q 2014	-	-	-	-	-	-	-	<b>-</b>
<b>Total</b>								
1Q 2013	<b>3,041</b>	<b>14,405</b>	<b>1,481</b>	<b>4,834</b>	<b>231</b>	<b>58,786</b>	<b>702</b>	<b>83,480</b>
1Q 2014	<b>2,903</b>	<b>14,207</b>	<b>1,628</b>	<b>5,058</b>	<b>164</b>	<b>56,628</b>	<b>851</b>	<b>81,439</b>

*Source: Land Transportation Office RO 2*



**Revenue Generated by District/Extension Office  
Region 2: First Quarter, CY 2013 and CY 2014**

<b>District/Extension Office</b>	<b>1Q 2013</b>	<b>1Q 2014</b>
APARRI D.O.	13,888,243.13	10,240,679.62
ARITAO E.O.	4,280,953.15	5,074,253.70
BASCO D.O.	1,046,748.50	1,040,242.50
BAYOMBONG D.O.	13,300,566.40	14,305,093.42
CABAGAN E.O.	5,603,660.81	5,933,851.84
CABAROGUIS D.O.	6,492,280.52	6,725,724.04
CAUAYAN E.O.	16,361,161.33	19,797,089.26
GATTARAN E.O.	4,280,853.39	4,519,864.60
ILAGAN	9,389,567.26	9,322,312.48
TUAO E.O.	3,382,889.00	2,869,167.45
ROXAS D.O.	10,219,448.55	10,906,656.92
SANCHEZ MIRA E.O.	3,829,762.25	3,753,451.85
SAN ISIDRO D.O.	15,432,961.94	16,042,897.96
SANTIAGO E.O.	10,347,781.08	11,464,412.62
TUGUEGARAO LIC.	4,318,517.45	4,297,229.96
TUGUEGARAO D.O.	16,974,508.06	22,439,171.45
OPERATION DIV. (R.O)	3,178,993.22	3,872,076.85
REGIONAL OFFICE	3,290.00	1,830.00
<b>Total</b>	<b>142,332,186.04</b>	<b>152,606,006.52</b>

*Source: Land Transportation Office RO 2*



**Production of Metallic and Non-Metallic Mineral Commodities**  
**Region 2: First Quarter CY 2013 and CY 2014**

Commodity/ Province	Production (cubic meter)	
	1Q 2013	1Q 2014
<b>Sand and Gravel</b>		
Cagayan	31,340.00	-
Isabela	130,130.17	298,530.00
Nueva Vizcaya	75,873.41	95,108.50
Quirino	12,136.00	5,389.00
<i>Subtotal</i>	<b>249,479.58</b>	<b>399,027.50</b>
<b>Pure Sand</b>		
Cagayan	1,650.00	-
<b>Boulders</b>		
Cagayan	2,111.66	-
Nueva Vizcaya	3,988.00	6,721.00
<i>Subtotal</i>	<b>6,099.66</b>	<b>6,721.00</b>
<b>Magnetite Sand</b>		
Cagayan	254,400.00	110,500.00
<b>Nickel Ore</b>		
Isabela	31,340.00	-
<b>Copper Concentrate</b>		
Nueva Vizcaya	-	25,438.00
<b>TOTAL</b>	<b>511,629.24</b>	<b>541,686.50</b>

Source: Mines and Geosciences Bureau RO2