



REGIONAL ECONOMIC SITUATIONER

Second Quarter CY 2014
Cagayan Valley

The region's economy was on the upbeat during the second quarter of CY 2014 as reflected by the robust growth posted by nearly all sectors. The Agriculture sector remained healthy as the region's prime commodities – palay and corn – posted increases in production at 25.69 and 52.83 percent, respectively. Such increases were attributed to various interventions of the regional agencies in cushioning the impact of the warm weather during the period. However, production of livestock and fishery commodities declined during the quarter. The limited disposal of animals due to the decreasing inventory contributed to the 4.92 percent decrease in livestock production. The downtrend in fishery production particularly aquaculture was a result of the low water level caused by the prolonged dry spell.

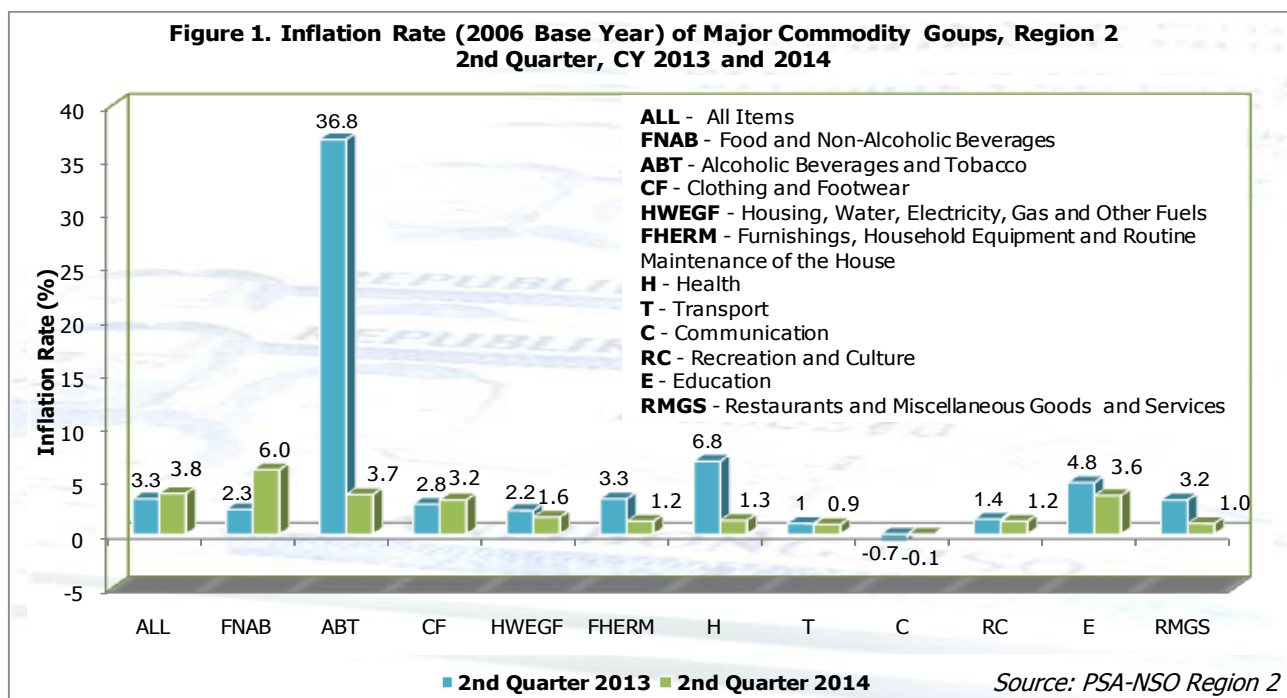
Meanwhile, Industry and Services sector continued to propel the region's economic growth as the levels of aircraft movement, vehicle registration, construction projects, and tourist arrivals increased. Moreover, the region continued to generate investments as locators in the Cagayan Special Economic Zone and Freeport further increased to 152 and business enterprises registered through the Department of Trade and Industry went up by 13 percent to 2,967.

Inflation rate accelerated to 3.8 percent during the quarter on the account of the higher prices of food commodities. Over the same period, employment rate dropped to 96 percent from 97 percent. Nonetheless, quality of jobs was generally better as suggested by the decline in the underemployment rate from 13.5% last year to 12.3%.

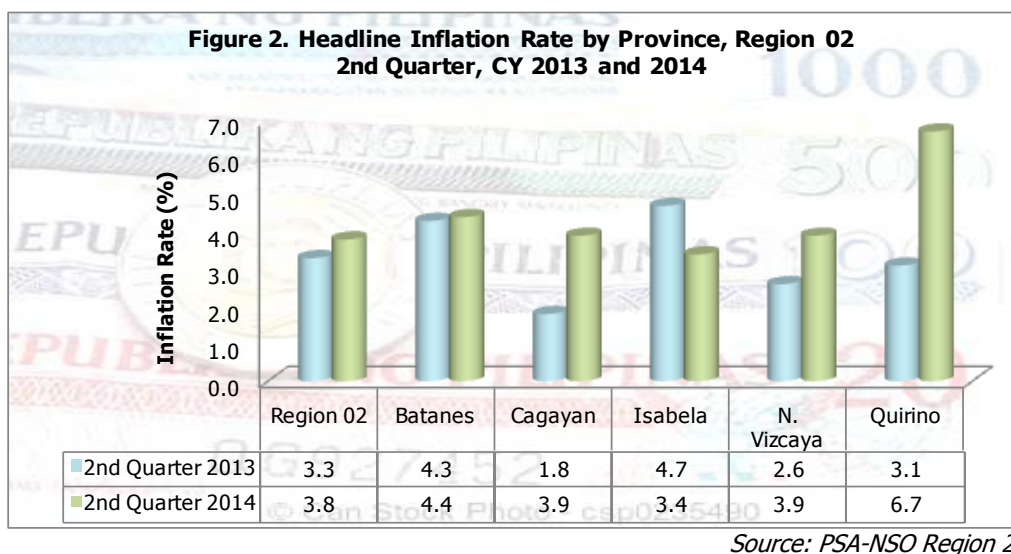
Inflation

Price index of the region's basket of basic commodities rose by 3.8 percent for the second quarter of this year as compared to the previous year— still at the lower end of the 3.0 percent to 5.0 percent target range in the Updated Cagayan Valley Regional Development Plan 2011-2016. This was, however, 0.5 percentage points higher than the 3.3 percent inflation rate recorded during the same period last year (Figure 1).

Contributing largely to the higher inflation was the rapid rise in the price index of Food and Non-Alcoholic Beverages from 2.3% in the second quarter last year to 6.0 percent for the same period this year. Inflation rate of food commodities particularly rice soared to 13.1 percent from just 1.7 percent last year due to the lesser domestic supply in the country. Other food products that posted higher prices were Fish (from 1.1% to 3.0%), Oils and Fats (from -5.7% to 8.9%), Fruits (from -1.4% to 3.3%), Vegetables (from 5.8% to 7.9%) and Food Products N.E.C (from 1.2% to 3.9%). The sustained demand amid the lesser domestic supply and reduced production contributed to increase in prices of the said commodities.



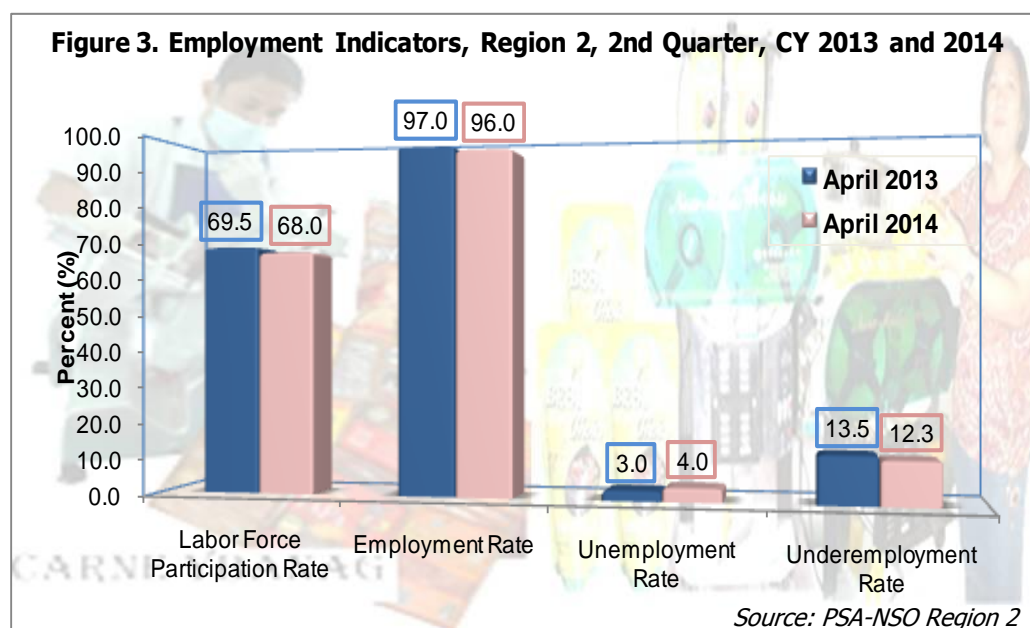
However, the rapid rise in the inflation rate of Food and Non-Alcoholic Beverages was tempered by slower inflation in most commodity groups led by Alcoholic Beverages and Tobacco (from 36.8% to 3.7%) and Health (from 6.8% to 1.3%). The marked slowdown in the inflation rate of Alcoholic Beverages and Tobacco was brought by the influx of imported products which are not covered under the sin tax law. The easing in the inflation rate of Health was ascribed to the slower increase in the price index of hospital services cost.



Inflation rate in all provinces apart from Isabela accelerated during the second quarter this year mainly due to the rapid increment in food prices (Figure 2). Quirino posted the biggest difference from 3.1% in 2013 to 6.7% this year. Inflation rates in Cagayan and Nueva Vizcaya were 2.1 and 1.3 percentage points higher compared to last year. Isabela was the only province that posted lower inflation rate compared to the 3.8 percent regional inflation rate.

Employment

The April round of the Labor Force Survey (LFS) conducted by the Philippine Statistics Authority showed that the region's number of employed persons decreased to 1.496 million from 1.538 million last year (down by 2.7 percent). This is mirrored by the higher unemployment rate at 4.0 percent (from 3.0 percent last year) or an additional 15 thousand unemployed for a total of 62 thousand in April 2014.



By major industry group, workers in the agriculture sector decreased to 831 thousand, 7.5 percent lower compared to the 898 thousand in 2013. In spite of the decrease, agriculture sector still comprises the bulk of the region's employment with a 55.5 percent share. Those employed in the services sector had the second largest share at 35.9 percent, slightly increasing by about 2 thousand from 535 thousand in 2013. Number of workers in the industry sector was up by 21.9 percent (from 105 thousand to 128 thousand) and accounted for smallest share at 8.6 percent of the total employed. Substantial increase in the number of employed in the construction industry was noted due to increased activities of the sector.

Employed persons were 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. In April 2014, wage and salary workers, representing 53.9 percent of the total employed, slightly increased to 806 thousand from 798 thousand during the previous year. Likewise, the number of self-employed increased by 2.5 percent to 247 thousand from 241 thousand in the preceding year. Those employed in own-family operated farms or businesses, on the other hand, decreased by 10.6 percent to 220 thousand. Unpaid family workers also declined by 30 thousand or 11.8 percent from 253 thousand the previous year.

The underemployment rate showed an improvement from 13.5 percent in April 2013 to 12.3 percent in 2014. In absolute level terms, the number of underemployed persons slid to 184 thousand from 208 thousand in April 2013.

Agriculture and Fishery

Palay

The region posted a bumper harvest in palay for the second quarter this year reaching 686,212 metric tons (MT), an increase of 25.69 percent from the 545,954 MT produced in the same period last year. The positive performance was attributed to the improved average yield to 4.48 MT per hectare (up by 7.1%) coupled with the 17.36 percent expansion in area harvested to 153,158 hectares.

The region continued to account for the second biggest share of the national palay production at 16.8 percent, with Isabela and Cagayan being the 2nd and 3rd top palay-producing provinces during the quarter. The volume of harvest in Isabela significantly increased by 54.58 percent to 313,633 MT while production in Cagayan went up by 11.43

percent to 295,183 MT. The growth in production was mainly attributed to the adjustment in the harvest from the first quarter to second quarter this year brought about by the delayed planting/maturity of crops in key production areas in the region. In addition, the improvement in yield which is ascribed to more areas planted with hybrid and inbred seeds, lesser pest infestation, normal delivery of irrigation water, and the sustained assistance and mitigation efforts of the regional agencies amid the El Niño phenomenon, boosted palay output in the region. Expansion of the area harvested was brought about by the resumption of irrigation services of National Irrigation and Communal Irrigation Systems that were subjected to rehabilitation the previous year.

Figure 4. Palay Production, Region 2, 2nd Quarter, CY 2013 and 2014

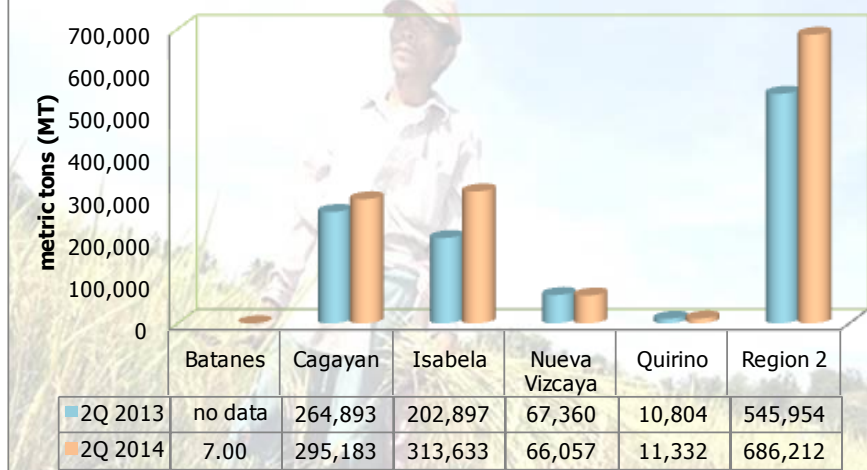
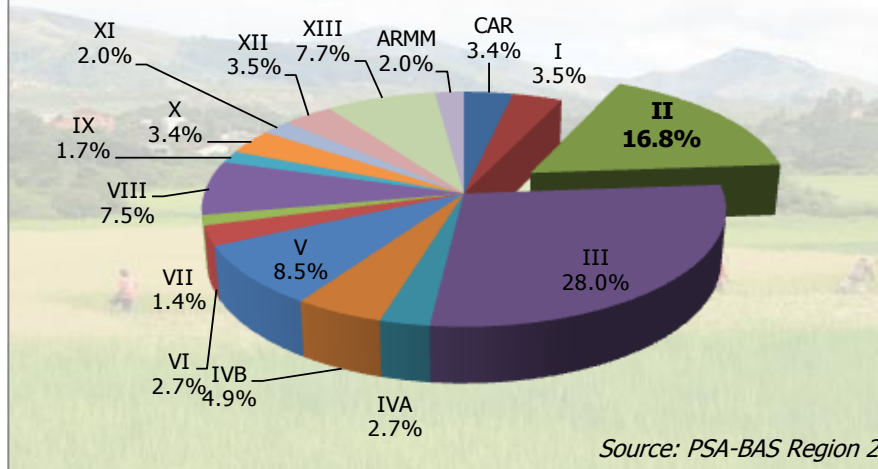


Figure 5. Palay Production by Region, Philippines 2nd Quarter, CY 2013 and 2014



Corn

The region remained as the biggest contributor to the national corn output during the quarter with a share of 21.9 percent. Corn production recorded a substantial increment of 52.83 percent from the 172,480 MT in the same period last year.

Across provinces, robust growth in production was noted. Isabela, the top corn-producing province in the country, significantly grew by 66.98 percent from the 84,215 MT output last year. Similar trend was observed in Cagayan as it increased by 17.31 percent to 78,238 MT. However, the biggest increment was posted by Quirino as its production reached 38,365 MT which was more than twice the previous year's output of 17,591 MT. Corn harvest in Nueva Vizcaya also rose to 6,232 MT, 56.5 percent higher compared to the 3,982 MT last year.

The hefty increase in corn produced during the quarter in review was a result of the 51.95 percent expansion of the area harvested to 62,782.21 hectares (has.) combined with the improvement in average yield to 4.20 MT/ha. Contributory to the expansion of area harvested was the movement of harvest from the first quarter to the second quarter due to the late maturity of crops caused by cold weather during reproductive and maturity stage in Isabela and Cagayan. Planting in fallow and newly opened areas in Quirino and Nueva Vizcaya also contributed to the expansion. The improved yield in Cagayan and Nueva Vizcaya was attributed to the sustained rainfall during the growth stage. Meanwhile in Isabela, the planting of high-yielding GMO yellow corn varieties and the sufficient rainfall during growing period contributed to the increase in corn productivity.

Figure 6. Corn Production, Region 2, 2nd Quarter, CY 2013 and 2014

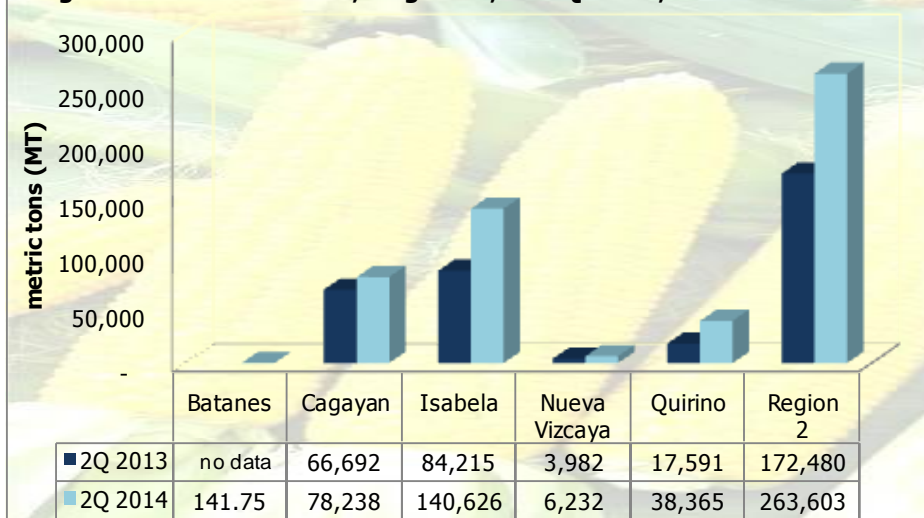
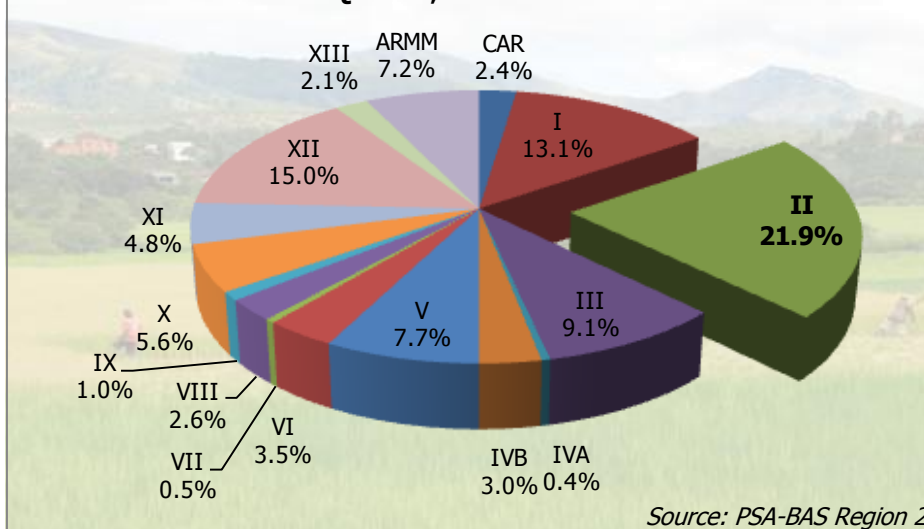


Figure 7. Corn Production by Region, Philippines 2nd Quarter, CY 2013 and 2014



Fruits, Vegetables and Root Crops

Production of fruits for the second quarter this year improved by 2.73 percent from previous year's level of 264,412 MT. Pineapple and mango recorded the highest increase in harvest with 16.07 percent (from 18,304 MT) and 12.13 percent (from 47,472 MT), respectively. Banana, which constituted the bulk of the total fruit production, was barely unchanged during the period. Factors that contributed to the improved harvest were the favorable weather during flowering and harvesting stage, early harvest in key production areas and increased yield due to the proper application of fertilizer.

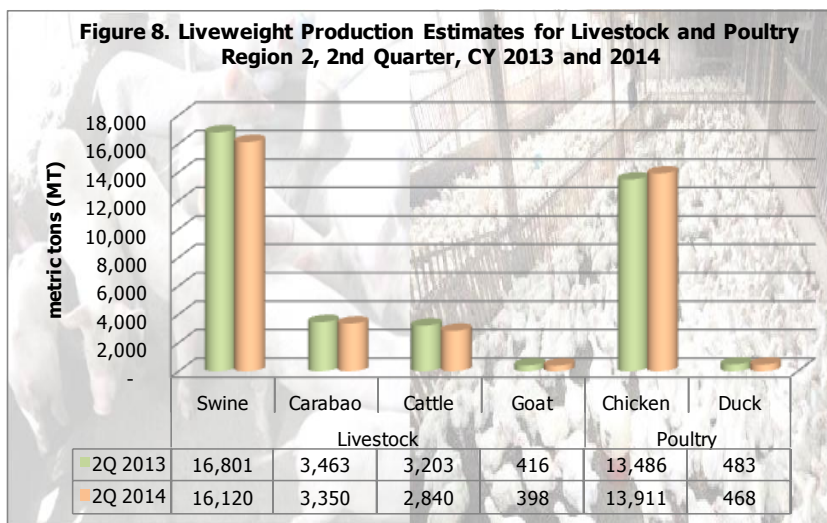
Production of vegetables and root crops, likewise, rose by 11.63 percent from its 86,463 MT output level in the same quarter in 2013. The top gainer for the period was cassava as its production almost doubled to 30,263 MT from last year's output of 15,221 MT. The uptrend was brought about by the increment in area harvested due to the availability of planting materials and sufficient rainfall during the productive stage.

However, several vegetable and root crops posted negative performances during the quarter. Mongo registered a 17.16 percent contraction from 7,990 MT while peanut declined by 9.9 percent from 2,534 MT. Eggplant, likewise, decreased from 8,821 MT to 8,210 MT. The reduction in area planted hindered the production improvement of the crops.

Collectively, other fruit crops, vegetables and root crops registered reduction in harvest ascribed to the contraction of area planted due to the summer months.

Livestock and Poultry

Production of livestock exhibited a downtrend during the quarter. Total production slid from 23,883 MT in 2013 to 22,708 MT this year reflecting a 4.92 percent decline. Swine, which accounted for about 71 percent of the total livestock production at 16,120 MT, contracted during the quarter brought about by the limited fatteners and growers available for disposition coupled with the smaller sizes of disposed animals. Meanwhile, the shortfall in the production of other ruminants was brought about by the smaller sizes disposed and the limited disposal of animals due to the decreasing inventory.

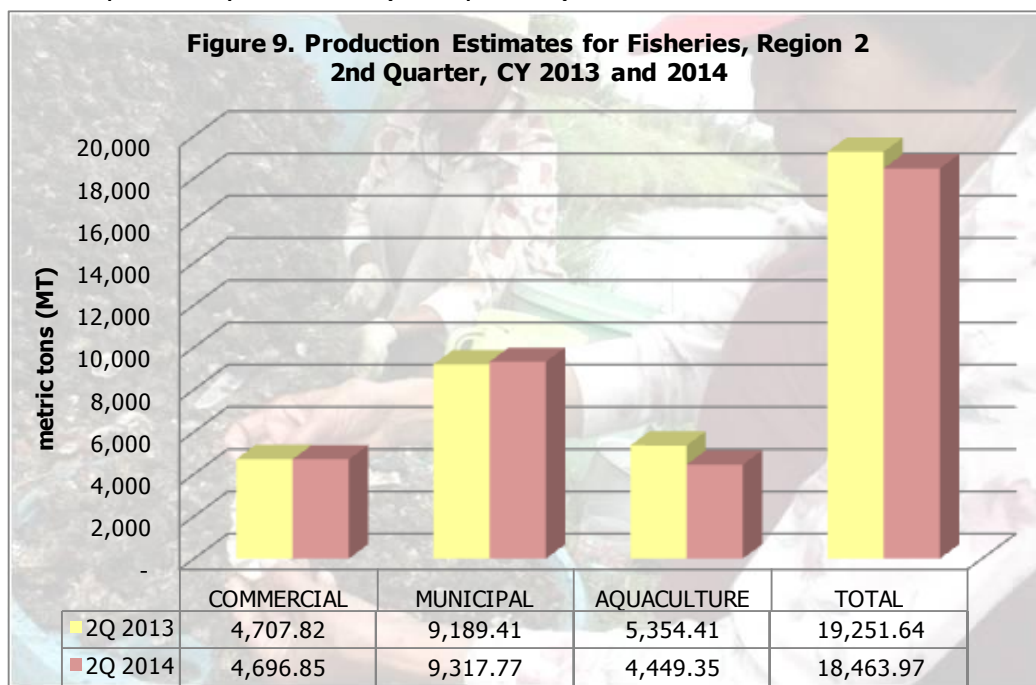


Source: PSA-BAS Region 2

On the other hand, poultry production registered an increase of 2.94 percent from 13,969 MT. Chicken posted a 3.15 percent growth attributed to the increased liveweight of broilers disposed and improved disposition of native/improved chicken triggered by sustained demand and good price. In contrast, duck production posted a 3.11 percent decline to 468 MT due to lesser disposal and building up of stocks. In addition, smaller sizes of birds were dressed due to the warm weather and further aggravated by the limited pasture area.

Fisheries

The region's aggregate fishery production during the second quarter of the year stood at 18,463.97 metric tons representing a 4.09 percent contraction from the previous year's level. The decline in the aquaculture (-16.90 percent) and commercial production (-0.23 percent) pulled down the minimal gain posted by the municipal fishery subsector (+1.4 percent).



Source: PSA-BAS Region 2, BFAR Region 2

The positive growth from municipal fisheries, which accounted for the lion's share of the total output, was mainly ascribed to the 8.46 percent uptrend in the harvest from marine waters, more than enough to offset the 15.86 percent contraction in inland municipal fishing. Higher volume of catch from marine waters was largely brought about by the increased fishing operations due to the favorable weather condition. The positive performances of the provinces were attributed to the increased fishing activities in Cagayan due to the seasonal migration of fishes to the province's warm waters; increase in supply as more trips were available going to and from the coastal areas in Isabela; and more fishing efforts in Batanes for sustenance to compensate shortage of crop production caused by prolonged dry spell. Conversely, the decline in inland municipal production was due to the drying up of communal bodies of water in Cagayan and Isabela brought about by the prolonged dry spell. Same weather phenomena also resulted to smaller sizes of harvest in Quirino.

Commercial fisheries production recorded a minimal increase that can be attributed to the regulated use of fishing gears and methods that destroy coral reefs and habitat. Likewise, lower volume of acetes (*alamang*), the carrier species of the sector, also affected total commercial production for the quarter.

Aquaculture production at 4,696 MT experienced a decline of 16.9 percent during the quarter. The 25.92 percent downtrend in the output of Cagayan was an offshoot of the damages to fishponds and fishcages caused by flooding in the previous quarters. Decrease in the area harvested due to low water level resulted to a production shortfall in Quirino and the non-stocking of ponds in Nueva Vizcaya.

Farm gate prices of selected agricultural commodities

Average farmgate prices of palay and corn rose in the second quarter of 2014. Dry palay considerably increased by 31.97 percent to Php21.96 per kilogram due to sustained demand from local and outside buyers/traders. Similarly, price of yellow corn posted a 8.34 percent rise or Php12.47 per kilogram on the account of the sustained demand from local traders and millers.

Mixed trend was observed in the prices of vegetables, root crops and condiments. Hikes were recorded in the prices of garlic, onion, eggplant mongo, chayote, pechay, squash and stringbeans. Reasons cited for the increase in prices were the decrease in local production and limited importation for condiments resulting to less supply available but higher demand from consumers. On the other hand, commodities that posted decline in their farmgate prices were tomato, cassava, ampalaya, camote, and finger pepper brought about by the inferior quality traded, lower quotation of garlic in Batanes, abundant supply from other regions and higher production.

Meanwhile, fruits commanded higher prices during the quarter, except for mango. The sustained demand and bigger and better banana quality (saba, lakatan, latundan) resulted to the uptick in price. Likewise, the high demand for hawaiian papaya, pineapple, and young coconut from local buyers as well as viajeros resulted to the increase in their prices. On the other hand, the price hike of calamansi was due to the lesser supply. For the other remaining fruits, the decrease in price was due to increased supply in the trading area, and/or poor quality of produce.

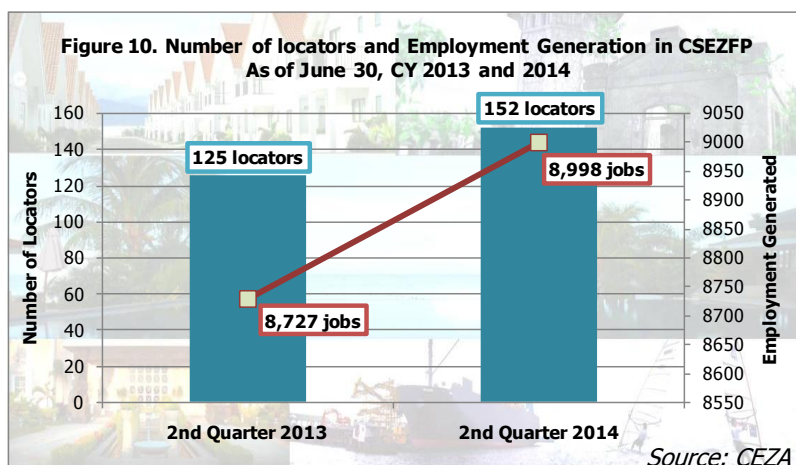
Farmgate prices of all livestock (carabao, cattle, hog and goat for slaughter) and poultry (duck for meat and duck egg) commodities registered an uptrend in the prices due to the decreased production amid the steady demand from consumers/assemblers/viajeros.

Investments

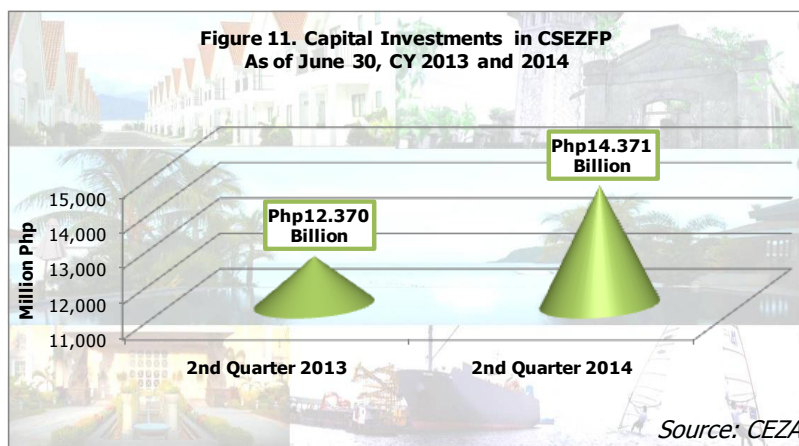
Investments in the Cagayan Special Economic Zone and Freeport (CSEZFP)

Registered enterprises/locators in the CSEZFP reached 152 as of end-June in 2014, an increase of 21.6 percent (or 27 additional locators). Majority or about 64.5 percent of the registered enterprises were interactive gaming support services/business process outsourcing (BPOs). Locators engaged in this activity went up by 28.9 percent from the 76 registered for the same period last year.

A total of 105 registered enterprises were operational as of end-June this year, an increase from last year's 93 operational locators mostly engaged in integrated gaming support services/BPOs. This resulted to the 3.1 percent increase in the employment generated for a total of 8,998 workers.



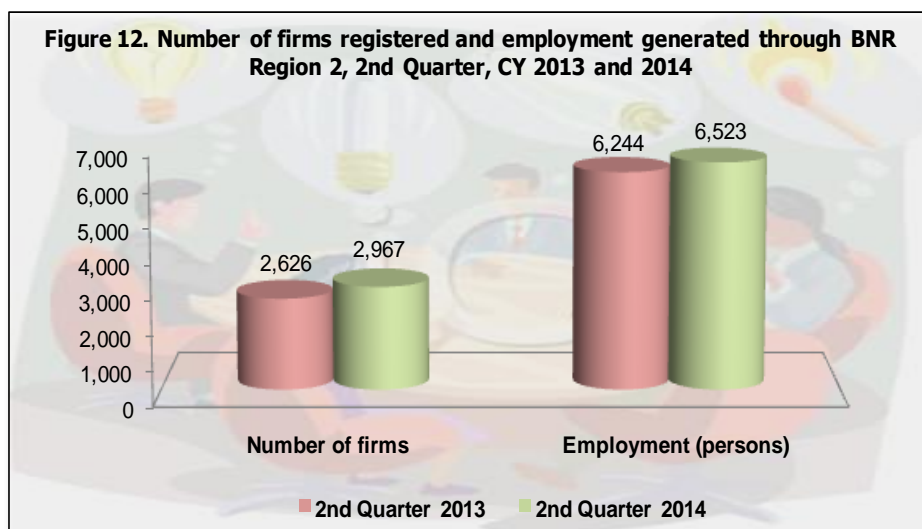
As a consequence of the increase in the number of locators, total capital investments grew to Php14.371 Billion, higher by 16.2 percent compared to last year's level of Php12.37 Billion. Investments generated from the locators involved in integrated gaming support services/BPOs and integrated resort operation/leisure facilities operation made up the bulk of the investments with combined share of 58.9 percent. The sizeable amount of Php1.437 Billion invested by a lone enterprise involved in commercial and industry facilities operation shared 10 percent to the overall investment.



The modest gains recorded in the CSEZFP were the effect of the intensive marketing and promotional activities the CEZA had been conducting to both local and foreign investors.

Investments through DTI's Business Name Registration

More business activities were observed in the region for the second quarter this year as manifested by the increase in firm registrations in DTI's Business Name Registration (BNR). Registered businesses went up by 13 percent for the quarter from the 2,626 firms registered for the previous year. Increase in business registration is a sign of favorable market trend and high investment confidence. The uptrend was attributed to the strong growth in the firm



registrations in the provinces of Isabela (+43.3 percent to 1,323 firms), Cagayan (+16.8 percent to 1,055 firms) and Batanes (+15.1 percent to 61 firms). However, this gain was slightly offset by the decline in the firms registered in Quirino (down by 59.1 percent to 108 firms) and Nueva Vizcaya (down by 13 percent to 420 firms).

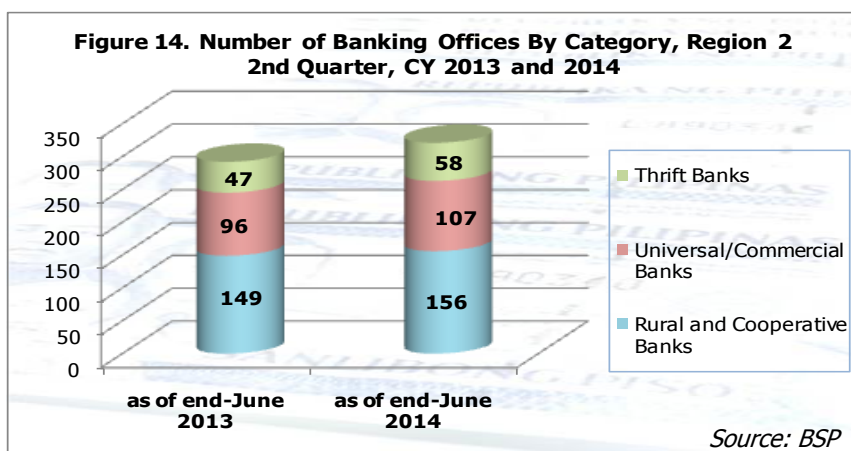
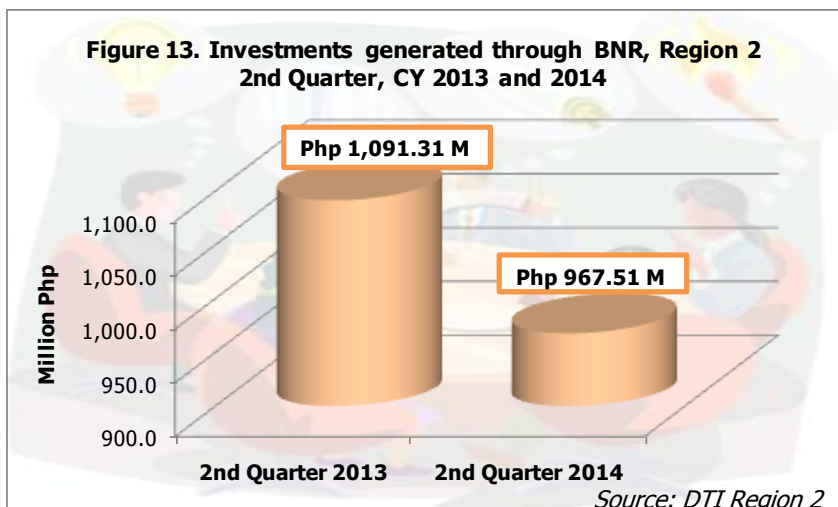
Across industries, businesses engaged in the trading and services sector continued to comprise the bulk of the registered enterprises at 1,581 firms (53.3% of total firm registrations) and 1,151 firms (38.8%), respectively. The remaining 7.9 percent of the businesses were involved in manufacturing (143 firms), agri-based production (57 firms) and construction (35 firms). All industries, except for manufacturing, recorded positive growth rates during the quarter.

Despite the higher firm registration, generated investments still went down by 11.3 percent to Php967.51 Million from the Php1.09 Billion investment in the second quarter last year. This was on the account of the smaller capitalization of the new businesses registered.

Nonetheless, the increase in registered enterprises created more employment opportunities in the region. Jobs generated expanded by 4.5 percent from 6,244 in the previous year's second quarter to 6,523 jobs this year. The increase in the jobs created in Isabela (+21.3%) and Cagayan (+31.6%) cushioned the substantial decline in Quirino (-68.5%) and Nueva Vizcaya (-29.2%).

Development Financing

The region's banking system continued to improve as evidenced by the increase in the number of banks and bank branches available to serve the financing needs of the region's populace. The total number of operating banking units stood at 321 as of the end of second quarter this year, up by 9.9 percent from the 292 banking units in the same period in 2013.



These banking units are categorized into three: universal and commercial banks (UKBs/KBs); thrift banks (TBs); and rural and cooperative banks (R/CB). The largest share of banks operating in the region at 48.6 percent was rural and cooperative banks (156 offices), followed by universal/commercial banks at 33.3% (107) and thrift banks at 18.1% (58).

All major banking groups rose during the quarter led by TBs with an additional 11 units from last year's 47 offices (up by 23.4 percent). This was followed by UKBs/KBs which gained 11 more banking offices from 96 banking units last year (up by 11.5 percent). The least increase was posted by R/CBs at 4.7 percent reaching a total of 156 operating banking offices.

In terms of credit activity, the only data available for the quarter was the loan availed through the Land Bank of the Philippines-Cagayan Lending Center¹. Outstanding loans as of the end of June, 2014 expanded to Php1.135 Billion, 52.6 percent greater than the Php743.55 Million in the same period last year. The entire amount was apportioned to agri-agra loans with loans to small and medium enterprises

¹ Data from Land Bank of the Philippines-Cagayan Lending Center consist only of the Batanes and Cagayan provinces

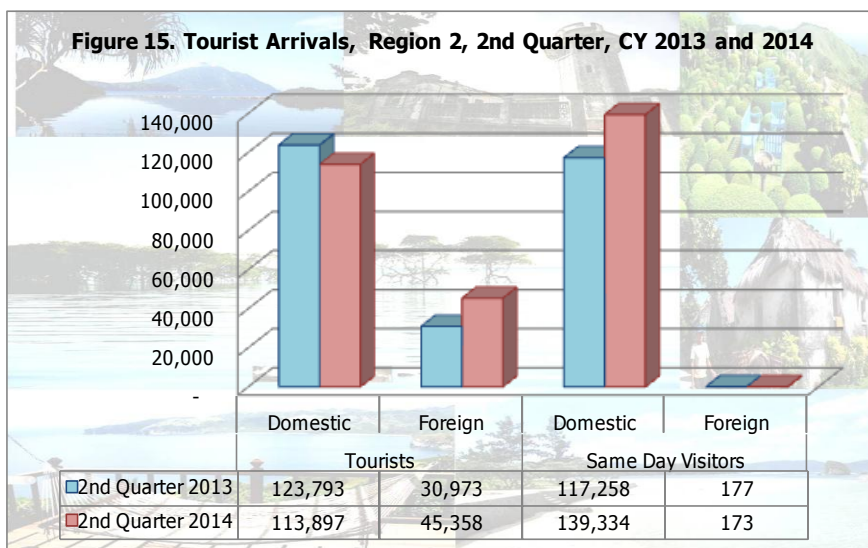
(SMEs) accounting for the biggest share at 38.8%, followed by large enterprises at 25.7%, small farmers and fisherfolks at 21.5%, and LGU loans at 13.8%. Growth in the lending activity of Cagayan and Batanes was noted at 54.9% and 10.2%, respectively.

The total loan releases during the second quarter of the current year amounted to Php503.48 Million, 11.1 percent increase compared to the Php453.12 Million loans in the same quarter of 2013. More than half or 52.5 percent of total were doled out to activities involved in wholesale and retail trade, subsequently followed by agriculture (26.5%), construction (10.3%), health and social work (6.1%) and electricity, gas and water (4.3%).

Tourism

Continued improvement in the region's tourism sector was observed during the quarter as the preliminary estimate of the combined arrival of overnight tourists and same day tourists² expanded by 9.8 percent to 298,762. The positive growth was led by the influx of foreign tourists (up by 46.4% to 45,358) and same day domestic visitors (up by 18.8% to 139,334).

Overnights tourists accounted for 53.3 percent of the total tourist arrivals at 159,255 (increased by 2.9 percent from 154,766). Tourists from China comprised about 94 percent of the foreign arrivals at 41,152, almost twice the previous year's arrival of 21,171. Meanwhile, domestic tourist arrivals slid from the recorded 123,793 in 2013 to 113,897 (down by 8%). Same day visitors, likewise, posted a substantial rise from 117,435 to 139,507. Domestic arrivals grew by 18.8 percent to 139,334 while foreign arrivals were barely unchanged at 173.



Source: DOT Region 2

The hike in the number of tourist arrivals translated to higher tourist receipts estimated at Php474.22 Million or up by 9.9 percent. The gain was influenced by the ample increase in the receipts from foreign tourists (+46.4%) and same day domestic visitors (+18.8%). Overnight tourist receipts reached Php376.57 Million which was 7.8 percent more than the preceding year while same day visitor receipts was recorded at Php97.66 Million (up by 18.8 percent).

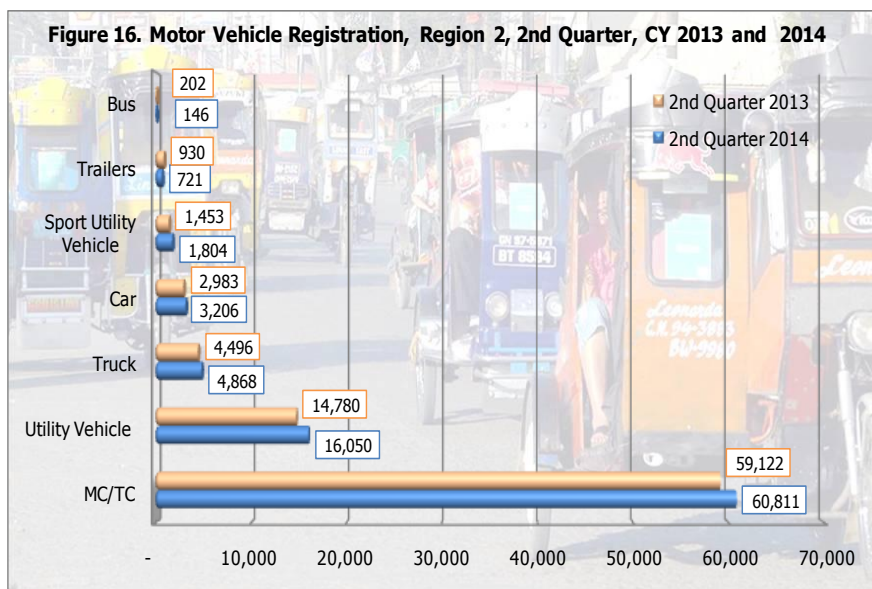
The positive accomplishment of the industry was brought about by the aggressive promotional campaign activities conducted by the Department of Tourism bannered by the slogan "It's More Fun in the Philippines". Moreover, the reality show "Survivor" filmed in the island of Palaui in Sta. Ana, Cagayan heightened the exposure of the region both locally and internationally.

² Data for same day visitors are partial estimates due to no report submitted by LGU of Santa Ana & Baggao, Cagayan; no data submitted by Quirino province for the months of May and June 2014

Transport and Communication

Land Transport

The number of registered motor vehicles reached 87,606 in the second quarter this year or an additional 3,640 vehicles from last year's figure. The rise was largely attributed to the 2.9 percent increase in the number of registered motorcycles and tricycles at 60,811. This continued to be the prevalent form of transportation in the region as evidenced by its share of 69.4 percent. Increment in the registration of nearly all kinds of vehicles, save for trailers and buses, were posted during the quarter.



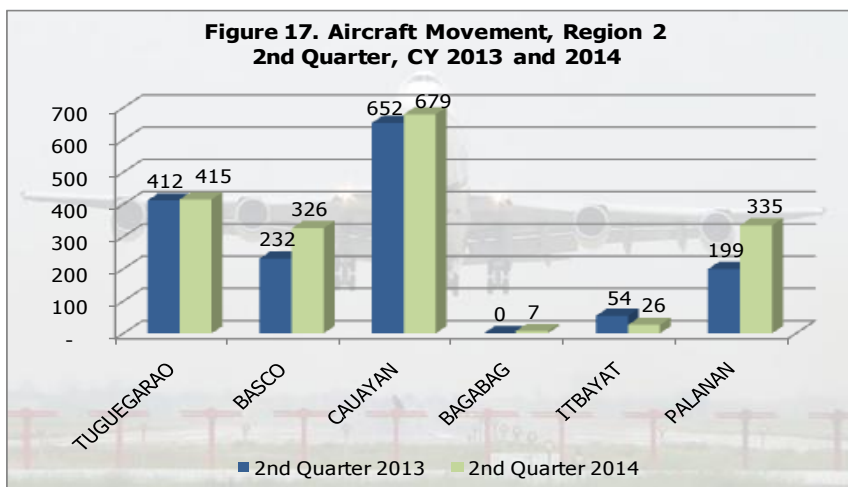
Source: LTO Region 2

Same trend was observed in the number of permits and licenses issued by LTO RO2 as it recorded an 11.3 percent growth to 48,713 during the period. Professional license made up the bulk of permits/licenses issued at 46.7 percent or 22,769, followed by student permit at 19,307 (39.6%), non-professional license at 6,573 (13.5%) and conductor's license at 64 (0.1%). Only the number of conductor's licenses slid this year at 64 from 81 in 2013.

The higher vehicle registration and licenses/permits issued translated to an improvement in the revenue generated for the period. The combined revenue generated from the different district and extension offices of LTO in the region reached Php166.114 Million, an 8.2 percent rise from the Php153.52 Million generated last year. The hike was primarily pinned on the improved revenue generation in the district office of Tuguegarao and the earnings from the LTO's new registration unit.

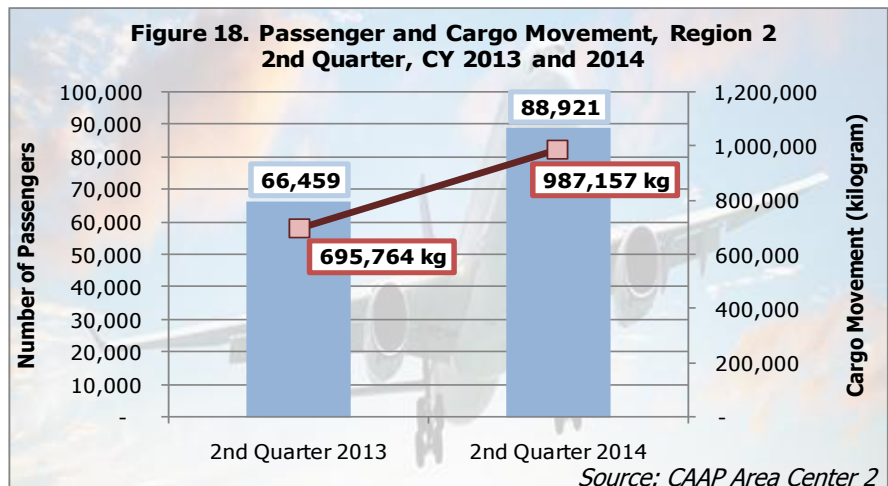
Air Transport

The airports in the region sans Itbayat airport recorded increased aircraft movement during the quarter. Overall number of flights to and from the region grew by 15.43 percent from the 1,549 flights in the second quarter of 2013. The rise was attributed to the continuous promo fare offers of the various airlines operating in the region and the reduction of cancelled flights due to the favorable weather condition.



Source: CAAP Area Center 2

With the increase in the number of flights, passengers flying in and out of the region also grew by 33.8 percent from the 66,459 in the same quarter of the preceding year. The Tuguegarao airport remained the busiest airport in the region which accounted for nearly half of the passenger volume at 43,771 (up by 19.1 percent). This was followed by Basco airport with passenger movement almost doubling to 24,590 (from 12,606).



Similar upward trend was also observed in terms of cargo movement during the quarter reaching 987,157 kilograms (up by 33.8 percent). More cargoes were loaded and unloaded in the airports, except for Itbayat. A staggering increase of 1038.8 percent (to 78,370 kg) was recorded in the Palanan airport attributed to the increase in flight frequency. Double-digit percent increments were also registered in the airports of Tuguegarao, Basco, Cauayan.

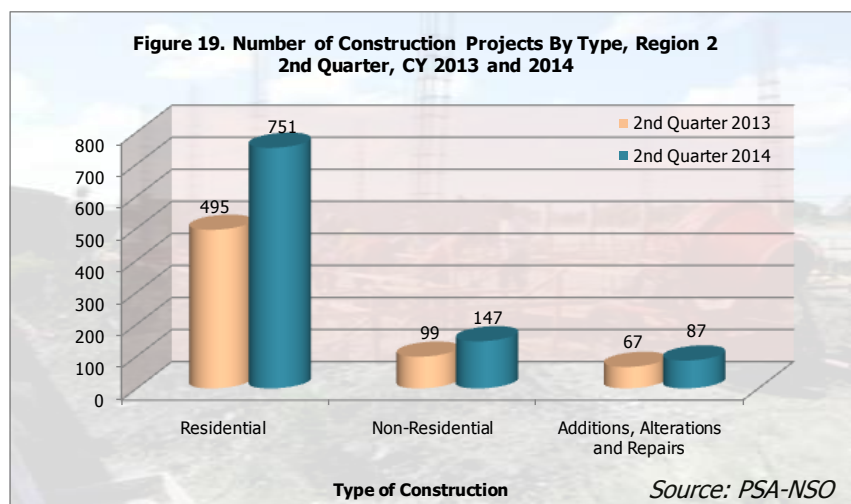
Telecommunication

The three major mobile service providers operating in the region, namely Smart Communications, Globe Telecom, and Sun Cellular had a total of 192 cell sites established during the second quarter this year, up from the 190 cell sites in the same period last year on the account of the 2 additional cell sites Globe Telecom had built. Smart Communications continued to account for the highest number of cell sites at 91, followed by Globe Telecom with 68 and Sun Cellular with 33.

On the other hand, the entire available channels in the region decreased to 1,332, lower by 13.5 percent from the 1,539 channels last year. The number of channels of Globe Telecom almost halved during the period from 516 to 262 mainly due to the Globe's migration to a new system and the consolidation of channels for retired mobile prepaid and postpaid. Meanwhile, Smart Communications and Sun Cellular's channels exhibited increases of 3.86 percent to 726 and 6.17 percent to 344, respectively.

Construction

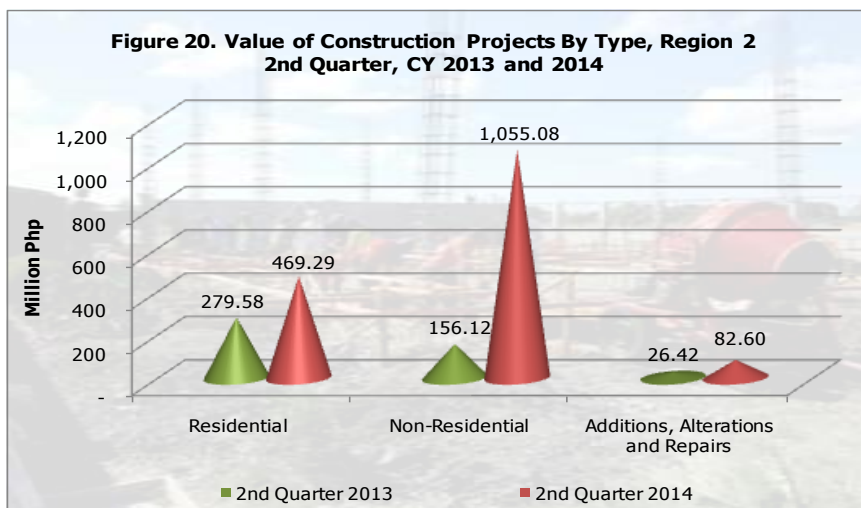
A total of 985 new private construction projects from the approved building permits in the region were reported during the second quarter of 2014. This figure represents an increase of 49 percent compared to the 661 construction projects over the same quarter in 2013. The favorable weather condition during the period encouraged the construction activities in the region.



The number of construction projects for each type of building increased during the quarter. Residential-type construction projects registered the biggest increase with 51.7 percent mainly attributed to the increases of single-type houses (up by 45.5% to 704) and apartment/accessoria (up by 281.8% to 42). The number of non-residential construction projects also rose considerably to 147 in the second quarter which was higher by 48.5 percent compared to the previous year.

Nonetheless, the data on construction projects reflect only those in urban areas where building permits are required for new construction and alterations. Construction in rural areas is seldom monitored as there are only few municipalities that strictly implement building permit application.

The value of the entire construction projects in the region stood at Php1.607 Billion during the period in review, representing an overwhelming increase of 247.7 percent from last year. The uptrend was largely due to the dramatic rise in the value of non-residential projects to Php1.055 Billion particularly contributed by the outstanding rise in the value of institutional building projects.



Source: PSA-NSO

Mining and Quarrying

The aggregate production of metallic and non-metallic mineral commodities in the second quarter of this year contracted by 13.4 percent to 757,758.83 cubic meters (cu. m.). Production of sand and gravel, which accounted for the lion's share of the regional production at 82.3 percent, grew by 53 percent to 623,573.16 cu. m. There was also recorded production of pure sand in Cagayan at 7,066.16 cu. m. and mixed sand in Nueva Vizcaya at 58,189.5 cu.m. during the quarter, as compared to the zero production in 2013. Likewise, production of boulders nearly tripled from last year's production of 8,615.69 cu. m. The increased demand for the above-mentioned commodities was brought about by the rise in construction activities in the region.

However, pulling down the gains recorded by the other metallic and non-metallic minerals was the significant contraction in the magnetite sand production (from 231,303.88 cu.m. to merely 14,000 cu. m.) and nickel ore production (from 227,000 cu.m. to merely 10,000 cu. m.). The decrease in magnetite sand (black sand) was attributed to the strict and strengthened monitoring activities of concerned government agencies for violations committed by some permittees while the lower nickel ore output was due to the low price in the world market.

Development Prospects

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

- The agriculture sector for the next quarters is expected to be hit by weather disturbances (typhoons) as a natural effect of the rainy season. Likewise, the region remains to be vulnerable to the effects of El Niño which started in June and is expected to peak by the end-2014. Continuous and intensified implementation of mitigation and adaptation measures of the Department of Agriculture (DA) must be put in place to cushion the negative impacts of these weather conditions.
- The participation of the region in DA's Philippine Rural Development Program (PRDP) set for implementation this year will help promote agricultural products of the region which have comparative advantage. 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.
- For the industry and services sectors, the expected increase in demand during the holiday season is seen to fuel a brisker business environment especially along manufacturing and wholesale and retail trade. On the other hand, construction activities may slow down as hampered by the onset of the rainy season.
- 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 operation of the Cagayan North International Airport in Lallo, Cagayan is seen to attract investors and tourists in the region. The airport will also complement the currently developed Port Irene which is foreseen as an emerging major transshipment hub.
- The newly-inaugurated Ninoy Aquino Bridge is expected to boost the region's economy as it serves as an inter-regional link between the regions of Ilocos, Cagayan Valley and Cordillera Administrative Regions. The bridge will ease economic activities especially transportation of goods and agricultural products to any points in the mentioned regions.

Annex: Tables for the Second Quarter CY 2014 Regional Economic Situationer

**Table 1. Consumer Price Index (CPI) and Inflation Rate by Commodity Group (2006 Base Year)
Region 2, Second Quarter, CY 2012 to CY 2014**

COMMODITY GROUP	Consumer Price Index			Inflation Rate	
	2Q 2012	2Q 2013	2Q 2014	2Q 2013	2Q 2014
ALL ITEMS	130.8	135.1	140.3	3.3%	3.8%
I. FOOD AND NON-ALCOHOLIC BEVERAGES	140.7	143.9	152.6	2.3%	6.0%
* Food	142.0	145.5	154.7	2.4%	6.4%
Bread and Cereals	147.1	149.8	166.0	1.9%	10.8%
Rice	149.0	151.6	171.4	1.7%	13.1%
Corn	135.6	128.0	127.0	-5.6%	-0.7%
Meat	129.1	134.4	139.2	4.1%	3.6%
Fish	144.9	146.6	151.1	1.1%	3.0%
Milk, Cheese and Eggs	130.0	132.1	134.2	1.7%	1.6%
Oils and Fats	144.6	136.3	148.4	-5.7%	8.9%
Fruit	167.0	164.6	170.0	-1.4%	3.3%
Vegetables	154.1	163.0	175.9	5.8%	7.9%
Sugar, Jam, Honey, Chocolate and Confectionery	118.2	122.9	126.8	3.9%	3.2%
Food Products N.E.C.	140.9	142.6	148.2	1.2%	3.9%
* Non-alcoholic Beverages	120.7	120.6	120.8	-0.1%	0.2%
II. ALCOHOLIC BEVERAGES AND TOBACCO	128.0	175.1	181.5	36.8%	3.7%
Alcoholic Beverages	122.0	134.6	139.8	10.4%	3.8%
Tobacco	134.8	220.3	228.2	63.5%	3.6%
NON-FOOD	121.8	124.9	126.9	2.5%	1.5%
III. CLOTHING AND FOOTWEAR	116.1	119.3	123.1	2.8%	3.2%
Clothing	115.6	118.4	123.0	2.4%	3.9%
Footwear	117.5	121.7	123.6	3.6%	1.6%
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	125.0	127.7	129.8	2.2%	1.6%
Actual Rentals for Housing	113.7	115.9	117.7	2.0%	1.5%
Maintenance and Repair of the Dwelling	126.8	130.5	132.3	2.9%	1.4%
Water Supply and Miscellaneous Services Relating to the Dwelling	110.6	115.4	115.5	4.3%	0.1%
Electricity, Gas and Other Fuels	141.2	144.3	147.0	2.2%	1.8%
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	119.8	123.7	125.2	3.3%	1.2%
Furniture and Furnishings, Carpets and Other Floor Coverings	105.2	105.2	105.2	0.0%	0.0%
Household Textiles	107.7	109.3	110.0	1.5%	0.6%
Household Appliances	103.9	105.0	106.9	1.1%	1.7%
Glassware, Tableware and Household Utensils	116.8	119.5	120.1	2.3%	0.5%
Tools and Equipment for House and Garden	120.3	121.2	122.5	0.7%	1.1%
Goods and Services for Routine Household Maintenance	125.7	130.9	132.6	4.1%	1.3%

COMMODITY GROUP	Consumer Price Index			Inflation Rate	
	2Q 2012	2Q 2013	2Q 2014	2Q 2013	2Q 2014
VI. HEALTH	121.0	129.2	130.9	6.8%	1.3%
Medical Products, Appliances and Equipment	118.2	119.8	121.7	1.4%	1.6%
Out-patient Services	117.9	122.4	123.9	3.8%	1.2%
Hospital Services	132.1	160.3	161.8	21.3%	0.9%
VII. TRANSPORT	134.9	136.2	137.5	1.0%	0.9%
Operation of Personal Transport Equipment	122.5	124.3	130.5	1.4%	5.0%
Transport Services	138.5	139.7	139.5	0.9%	-0.1%
VIII. COMMUNICATION	89.9	89.2	89.1	-0.7%	-0.1%
Postal Services	135.0	135.0	140.5	0.0%	4.1%
Telephone and Telefax Equipment	52.9	49.6	49.3	-6.2%	-0.7%
Telephone and Telefax Services	102.2	102.4	102.4	0.2%	0.0%
IX. RECREATION AND CULTURE	98.3	99.7	100.9	1.4%	1.2%
Audio-visual, Photographic and Information Processing Equipment	88.4	87.7	88.4	-0.8%	0.8%
Other Recreational Items and Equipment, Gardens and Pets	102.4	104.3	105.3	1.9%	1.0%
Recreational and Cultural Services	105.7	113.0	116.2	6.9%	2.8%
Newspapers, Books and Stationery	112.3	115.0	116.0	2.4%	0.9%
X. EDUCATION	122.1	127.9	132.5	4.8%	3.6%
Pre-primary and Primary Education	126.2	142.4	154.1	12.8%	8.3%
Secondary Education	130.7	132.2	133.7	1.1%	1.1%
Tertiary Education	116.5	117.1	118.0	0.5%	0.8%
XI. RESTAURANTS AND MISCELLANEOUS GOODS AND SERVICES	117.9	121.7	122.9	3.2%	1.0%
Catering Services	121.3	124.8	125.7	2.9%	0.7%
Personal Care	113.6	117.1	118.4	3.1%	1.1%
Personal Effects N.E.C.	117.7	127.1	132.0	8.0%	3.9%

Source: PSA-NSO Region 2

**Table 2. Selected Employment Indicators, Region 2
Second Quarter, CY 2013 and CY 2014**

Indicator		April 2013	April 2014
Household Population 15 Years Old and Over	Number ('000)	2,280	2,292
Labor Force Participation	Number ('000)	1,584	1,558
	Rate (%)	69.5	68.0
Employment	Number ('000)	1,538	1,496
	Rate (%)	97.0	96.0
Unemployment	Number ('000)	47	62
	Rate (%)	3.0	4.0
Underemployment	Number ('000)	208	184
	Rate (%)	13.5	12.3

Source: PSA-NSO Region 2, April 2013 and 2014 Labor Force Survey

**Table 3. Employed Persons by Broad Industry Group, Region 2
Second Quarter, CY 2013 and CY 2014**

Indicator (in thousands)	April 2013	April 2014
Total Employed Persons	1,538	1,496
Agriculture, Hunting, Forestry and Fishing	898	831
Industry	105	128
Services	535	537

Source: PSA-NSO RO2, April Round Labor Force Survey

**Table 4. Employed Persons by Class of Worker, Region 2
Second Quarter, CY 2013 and CY 2014**

Indicator (in thousands)	April 2013	April 2014
Total Employed Persons	1,538	1,496
Wage and salary workers	798	806
Self-employed workers without any paid employee	241	247
Employed in own family-operated farm or business	246	220
Unpaid family workers	253	223

Source: PSA-NSO RO2, April Round Labor Force Survey

**Table 5. Palay Production, in metric tons (MT), Region 2
Second Quarter, CY 2013 and CY 2014**

Province	Irrigated		Rainfed		Upland		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	no data	1.20	no data	-	no data	5.80	no data	7.00
Cagayan	234,296	273,713	30,597	21,470	-	-	264,893	295,183
Isabela	193,843	305,415	9,054	8,218	-	-	202,897	313,633
Nueva Vizcaya	67,062	65,790	298	267	-	-	67,360	66,057
Quirino	10,144	10,513	660	819	-	-	10,804	11,332
Total	505,345	655,432.2	40,609	30,774	-	5.80	545,954	686,212

Source: PSA-BAS Region 2

**Table 6. Area Harvested for Palay, in hectares (Ha), Region 2
Second Quarter, CY 2013 and CY 2014**

Province	Irrigated		Rainfed		Upland		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	no data	0.43	no data	-	no data	7.25	no data	7.68
Cagayan	53,953	58,580	9,728	8,102	-	-	63,681	66,682
Isabela	44,657	65,986	4,573	3,818	-	-	49,230	69,804
Nueva Vizcaya	14,865	13,799	100	90	-	-	14,965	13,889
Quirino	2,406	2,504	219	271	-	-	2,625	2,775
Total	115,881	140,869.43	14,620	12,281	-	7.25	130,501	153,157.68

Source: PSA-BAS Region 2

**Table 7. Palay Productivity, in MT/Ha, Region 2
Second Quarter, CY 2013 and CY 2014**

Province	Irrigated		Rainfed		Upland		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	no data	2.79	no data	-	no data	0.80	no data	0.91
Cagayan	4.34	4.67	3.15	2.65	-	-	4.16	4.43
Isabela	4.34	4.63	1.98	2.15	-	-	4.12	4.49
Nueva Vizcaya	4.51	4.77	2.98	2.97	-	-	4.50	4.76
Quirino	4.22	4.20	3.01	3.02	-	-	4.12	4.08
Total	4.36	4.65	2.78	2.51	-	0.80	4.18	4.48

Source: PSA-BAS Region 2

**Table 8. Corn Production, in metric tons (MT), Region 2
Second Quarter, CY 2013 and CY 2014**

Province	White		Yellow		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	no data	26.2	no data	115.55	no data	141.75
Cagayan	2,599	1,765	64,093	76,473	66,692	78,238
Isabela	no data	no data	84,215	140,626	84,215	140,626
Nueva Vizcaya	356	432	3,626	5,800	3,982	6,232
Quirino	no data	no data	17,591	38,365	17,591	38,365
Total	2,955	2,223.2	169,525	261,379.55	172,480	263,602.75

Source: PSA-BAS Region 2

**Table 9. Area Harvested for Corn, in hectares (Ha), Region 2
Second Quarter, CY 2013 and CY 2014**

Province	White		Yellow		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	no data	26.79	no data	42.42	no data	69.21
Cagayan	1,220	654	15,453	18,347	16,673	19,001
Isabela	no data	no data	19,365	32,254	19,365	32,254
Nueva Vizcaya	133	144	1,036	1,349	1,169	1,493
Quirino	no data	no data	4,110	9,965	4,110	9,965
Total	1,353	824.79	39,964	61,957.42	41,317	62,782.21

Source: PSA-BAS Region 2

**Table 10. Corn Productivity, in MT/Ha, Region 2
Second Quarter, CY 2013 and CY 2014**

Province	White		Yellow		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	no data	0.98	no data	2.72	no data	2.05
Cagayan	2.13	2.70	4.15	4.17	4.00	4.12
Isabela	no data	no data	4.35	4.36	4.35	4.36
Nueva Vizcaya	2.68	3.00	3.50	4.30	3.41	4.17
Quirino	no data	no data	4.28	3.85	4.28	3.85
Total	2.18	2.70	4.24	4.22	4.17	4.20

Source: PSA-BAS Region 2

**Table 11. Production estimates for Other Crops, in metric tons (MT), Region 2
Second Quarter, CY 2013 and CY 2014**

COMMODITY	VOLUME OF PRODUCTION	
	2Q 2013	2Q 2014
Fruits	264,412	271,629
<i>Major</i>	<i>248,103</i>	<i>256,779</i>
Banana	180,557	180,657
Calamansi	1,771	1,649
Mango	47,472	53,228
Pineapple	18,304	21,245
<i>Priority</i>	<i>11,584</i>	<i>10,537</i>
Balimbing	7	7
Papaya	990	910
Tamarind	602	529
Watermelon	6,841	6,304
Mandarin	2,902	2,563
Orange	243	225
<i>Other Fruits</i>	<i>4,724</i>	<i>4,312</i>
Vegetables and Rootcrops	86,463	96,523
<i>Major</i>	<i>44,766</i>	<i>57,724</i>
Mongo	7,990	6,619
Peanut	2,534	2,283
Cabbage	430	410
Eggplant	8,821	8,210
Tomato	5,694	5,833
Garlic	159	155
Onion	1,060	1,070
Camote	2,856	2,881
Cassava	15,221	30,263
<i>Priority</i>	<i>36,000</i>	<i>33,375</i>
Habitchuelas	841	776
B. Blossom	3,956	3,732
Broccoli	4	1
Cauliflower	12	10
Kangkong	491	436
Pechay	552	522
Ampalaya	2,922	2,595
Stringbeans	2,780	2,477
Gourd	3,031	2,508
Okra	1,141	951
Squash Fruit	12,254	11,867
Ginger	1,443	1,262
Pepper	503	502
Carrots	136	138
Gabi	5,579	5,244
Radish	1	1
Irish Potato	352	353
<i>Other Vegetables</i>	<i>5,697</i>	<i>5,424</i>

Source: PSA-BAS Region 2

**Table 12. Production estimates for Livestock and Poultry (in MT, liveweight), Region 2
Second Quarter, CY 2013 and CY 2014**

COMMODITY	2Q 2013	2Q 2014
Livestock	23,883	22,708
Swine	16,801	16,120
Carabao	3,463	3,350
Cattle	3,203	2,840
Goat	416	398
Poultry	13,969	14,379
Chicken	13,486	13,911
Duck	483	468

Source: PSA-BAS Region 2

**Table 13. Production Estimates (in MT) and Area Harvested (in Ha) for Fisheries, Region 2
Second Quarter, CY 2013 and CY 2014**

COMMODITY	Production (MT)		Area Harvested (Ha)	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014
COMMERCIAL	4,707.82	4,696.85	n/a	n/a
Cagayan	4,707.82	4,696.85	n/a	n/a
MUNICIPAL	9,189.41	9,317.77	n/a	n/a
Marine	6,521.37	7,072.83	n/a	n/a
Cagayan	5,862.38	6,329.39	n/a	n/a
Isabela	166.21	241.53	n/a	n/a
Batanes	492.78	501.91	n/a	n/a
Inland	2,668.04	2,244.94	n/a	n/a
Cagayan	1,385.57	1,102.09	n/a	n/a
Isabela	907.50	751.22	n/a	n/a
Nueva Vizcaya	272.15	290.88	n/a	n/a
Quirino	102.82	100.75	n/a	n/a
AQUACULTURE	5,354.41	4,449.35	1,212.87	1,092.69
Cagayan	3,422.75	2,535.56	662.97	630.32
Isabela	1,380.21	1,487.53	373.60	328.33
Nueva Vizcaya	287.56	257.42	88.81	82.42
Quirino	263.89	168.84	87.49	51.62
REGIONAL TOTAL	19,251.64	18,463.97	n/a	n/a

Source: PSA-BAS Region 2

**Table 14. Farmgate Price of Selected Commodities, Region 2
Second Quarter, CY 2013 and CY 2014**

Commodity	Average Price (Php/kg)	
	2Q 2013	2Q 2014
Cereals		
Palay, Dry	16.64	21.96
Corn matured, white	10.86	NT
Corn matured, yellow	11.51	12.47
Vegetables, Rootcrops and Condiments		
Tomato	17.68	5.02
Eggplant long, purple	13.18	14.43
Cabbage	14.60	13.72
Cassava fresh tubers	6.86	4.52
Sweet potato (camote)	10.53	8.92
Garlic	73.29	61.76
Onion, red creole, bermuda	21.17	18.88
Onion, red shallot, native	16.66	36.46
Peanut w/ shell, dry	39.04	34.82
Mongo, green labo	61.56	54.81
Mongo, green shiny	32.46	49.17
Ampalaya	23.93	18.82
Chayote	2.33	4.79
Gabi tagalog (for sinigang)	NT	NT
Pechay native	14.61	18.38
Pepper finger (panigang)	20.07	18.08
Pepper bell (red and green)	NT	NT
Squash	6.40	7.91
Stringbeans (long)	16.85	20.07
Fruits		
Banana green, bungulan	7.32	7.30
Banana green, lakatan	15.39	19.35
Banana green, latundan	10.60	14.53
Banana green, saba	8.85	9.34
Pineapple, hawaiian	11.02	12.11
Mango green, carabao	18.06	13.02
Mango green, indian	7.76	5.30
Calamansi	28.71	32.18
Papaya hawaiian	9.33	9.41
Papaya native	NT	7.99
Non Food, Industrial and Commercial Crops		
Coconut young	3.69	4.37
Coconut matured	8.30	7.01
Tobacco native, dry	59.65	61.90
Tobacco burley, dry	81.90	77.62
Livestock and Poultry		
Carabao for slaughter	80.63	90.63
Cattle for slaughter	85.14	91.44
Hog for slaughter	117.45	123.86
Goat for slaughter	130.22	135.96
Duck for meat, backyard	126.12	129.08

* NT - No Trading; no harvest

Source: PSA-BAS Region 2

**Table 15. Number of Banking Offices, By Bank Category, Region 2
As of June 30, CY 2013 and CY 2014**

Bank Category	As of end-June 2013	As of end-June 2014
Universal/Commercial Banks	96	107
Thrift Banks	47	58
Rural and Cooperative Banks	149	156
TOTAL	292	321

Source: BSP

**Table 16. LBP Outstanding Loans by Industries* (in million Php), Region 2
As of June 30, CY 2013 and CY 2014**

Industries	End of 2Q 2013				End of 2Q 2014			
	Outstanding Balance			% Share	Outstanding Balance			% Share
	Batanes	Cagayan	Total		Batanes	Cagayan	Total	
AGRI-AGRA LOANS								
SMEs	13.350	213.058	226.408	30.4	22.006	418.544	440.550	38.8
LGU Loans	24.436	154.522	178.958	24.1	19.981	136.930	156.911	13.8
Small farmers & fisherfolks	0.316	182.950	183.266	24.6	-	244.588	244.588	21.5
Livelihood Loans	-	-	-		-	-	-	-
Large Enterprise	-	153.944	153.944	20.7	-	291.500	291.500	25.7
Easy Home Loans	-	0.973	0.973	0.1	-	1.466	1.466	0.1
TOTAL	38.102	705.447	743.549	100.0	41.987	1,093.028	1,135.015	100.0

Source: Land Bank of the Philippines - Cagayan Lending Center

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

**Table 17. LBP Outstanding Loans* by Provinces (in million Php), Region 2
As of June 30, CY 2013 and CY 2014**

Provinces	End of 2Q 2013		End of 2Q 2014	
	Outstanding Balance	% Share	Outstanding Balance	% Share
Batanes	38.102	5.1	41.987	3.7
Cagayan	705.447	94.9	1,093.028	96.3
TOTAL	743.549	100.0	1,135.015	100.0

Source: Land Bank of the Philippines - Cagayan Lending Center

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

**Table 18. LBP Loan Releases, by Economic Activity* (in million Php), Region 2
Second Quarter, CY 2013 and CY 2014**

Economic Activities	April-June 2013		April-June 2014	
	Loan Releases	% Share	Loan Releases	% Share
Agriculture	256.67	56.6	133.39	26.5
Electricity, Gas and Water	20.45	4.5	21.60	4.3
Construction	28.50	6.3	52.04	10.3
Wholesale and Retail Trade, Repair & Motor Vehicles	144.60	31.9	264.55	52.5
Real Estate, Renting & Business Activities	0.50	0.1	0.50	0.1
Health & Social work	1.10	0.2	30.70	6.1
Other Community, Social and Personal Service Activities	-	-	0.70	0.1
Hotels and Restaurants	1.30	0.3	-	-
TOTAL	453.12	100.0	503.48	100.0

Source: Land Bank of the Philippines - Cagayan Lending Center

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

**Table 19. Comparative Visitor Arrivals and Receipts, Region 2
Second Quarter, CY 2013 and CY 2014**

	Arrivals		Receipts (in million Php)	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Tourists				
Domestic	123,793	113,897	247.586	227.794
Foreign	30,973	45,358	101.591	148.774
<i>Sub-total</i>	<i>154,766</i>	<i>159,255</i>	<i>349.177</i>	<i>376.568</i>
Same Day Visitors				
Domestic	117,258	139,334	82.081	97.534
Foreign	177	173	0.124	0.121
<i>Sub-total</i>	<i>117,435</i>	<i>139,507</i>	<i>82.205</i>	<i>97.655</i>
Grand Total	272,201	298,762	431.382	474.223

Source: DOT Region 2

**Table 20. Regional Distribution of Travelers/Tourists, Region 2
Second Quarter, CY 2013 and CY 2014**

Country of Residence	2Q 2013	2Q 2014
Philippine Residents (Domestic)	123,793	113,897
Filipino Nationality	123,477	111,213
Foreign Nationality	316	2,684
Non-Philippine Residents (Foreign)		
ASIA		
ASEAN	135	233
Brunei	0	9
Cambodia	30	6
Indonesia	15	34
Laos	4	0
Malaysia	24	57
Myanmar	3	13

Singapore	38	70
Thailand	19	42
Vietnam	2	2
EAST ASIA	21,933	42,554
China	21,171	41,152
Hong Kong	21	21
Japan	172	109
South Korea	158	199
Taiwan	411	1,073
SOUTH ASIA	47	104
Bangladesh	4	3
India	32	83
Iran	3	10
Nepal	0	2
Pakistan	8	6
Sri Lanka	0	0
MIDDLE EAST	34	54
Bahrain	0	0
Egypt	10	4
Israel	0	2
Jordan	1	0
Kuwait	1	7
Saudi Arabia	38	17
United Arab Emirates	4	4
AMERICA		
NORTH AMERICA	7,881	717
Canada	115	116
Mexico	0	0
USA	7,766	601
SOUTH AMERICA	2	4
Argentina	2	2
Brazil	0	2
Colombia	0	0
Peru	0	0
Venezuela	0	0
EUROPE		
WESTERN EUROPE	84	89
Austria	10	46
Belgium	21	0
France	15	17
Germany	32	24
Luxembourg	0	0
Netherlands	4	0
Switzerland	2	2
NORTHERN EUROPE	138	97
Denmark	1	6
Finland	0	3
Ireland	6	19
Norway	2	37
Sweden	2	20
United Kingdom	127	12
SOUTHERN EUROPE	49	20
Greece	4	0
Italy	26	3

Portugal	8	5
Spain	11	10
Union of Serbia and Montenegro	0	2
EASTERN EUROPE	19	50
Commonwealth of Independent States	0	0
Poland	0	0
Russia	19	50
AUSTRALASIA/PACIFIC	231	99
Australia	212	77
Guam	0	2
Nauru	0	0
New Zealand	19	20
Papua New Guinea	0	0
AFRICA	1	1
Nigeria	0	1
South Africa	1	0
OTHERS AND UNSPECIFIED RESIDENCES	419	1,023
GRAND TOTAL TOURIST ARRIVALS	154,766	159,255
Total Philippine Residents	123,793	113,897
Total Non-Philippine Residents	30,973	45,045
Total Overseas Filipinos	0	313

Source: DOT Region 2

**Table 21. Number of Firms Registered, Investments and Employment Generated, By Province, Region 2
Second Quarter, CY 2013 and CY 2014**

PROVINCE	Number of Firms		Investments (in Million Php)		Employment	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	53	61	17.375	2.776	109	108
Cagayan	903	1,055	305.860	437.241	2,126	2,798
Isabela	923	1,323	311.293	363.755	2,030	2,463
Quirino	264	108	129.939	28.545	629	198
Nueva Vizcaya	483	420	326.839	135.193	1,350	956
Regional Total	2,626	2,967	1,091.306	967.510	6,244	6,523

Source: DTI Region 2

**Table 22. Number of Firms Registered, Investments and Employment Generated, By Sector, Region 2
Second Quarter, CY 2013 and CY 2014**

PROVINCE	Number of Firms		Investments		Employment	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Manufacturing	162	143	36.829	38.809	476	390
Agri-based Production	20	57	37.145	49.881	69	108
Construction	22	35	96.635	94.300	140	282
Trading	1,349	1,581	447.496	330.208	2,860	3,129
Services	1,073	1,151	473.202	454.313	2,699	2,614
Total	2,626	2,967	1,091.306	967.510	6,244	6,523

Source: DTI Region 2

**Table 23. Number of Flights, Passenger and Cargo Movement, Region 2
Second Quarter, CY 2013 and CY 2014**

Airport	Number of Flights		Passenger Movement				Cargo Movement (in kilogram)			
			IN		OUT		IN		OUT	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Tuguegarao	412	415	18,515	22,848	18,227	20,923	226,406	256,775	163,704	201,865
Basco	232	326	6,246	12,250	6,360	12,340	112,650	156,278	68,771	129,322
Cauayan	652	679	7,386	8,392	7,177	8,568	55,137	92,732	60,032	70,567
Bagabag	0	7	-	30	-	26	-	-	-	-
Itbayat	54	26	227	184	252	145	965	662	1,217	586
Palanan	199	335	1,069	1,594	1,000	1,621	3,852	36,934	3,030	41,436
Total	1,549	1,788	33,443	45,298	33,016	43,623	399,010	543,381	296,754	443,776

Source: CAAP Area Center II

**Table 24. Number of Cell Sites and Total Channels, Region 2
Second Quarter, CY 2013 and CY 2014**

Province	Digitel Mobile Philippines, Inc. (Sun Cellular)				Smart Communications, Inc.				Globe Telecom, Inc.			
	Cell Sites		Channels		Cell Sites		Channels		Cell Sites		Channels	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
Batanes	0	0	0	0	1	1	6	7	4	4	19	9
Cagayan	11	11	108	108	29	29	206	229	34	35	294	144
Isabela	10	10	108	128	43	43	331	334	20	20	154	82
Quirino	9	9	72	72	14	14	121	120	6	6	36	18
Nueva Vizcaya	3	3	36	36	4	4	35	36	2	3	13	9
Total	33	33	324	344	91	91	699	726	66	68	516	262

Source: NTC Region 2

**Table 25. Motor Vehicles Registration, Region 2
Second Quarter, CY 2013 and CY 2014**

Classification/ Year	Type of Motor Vehicle							
	Cars	Utility Vehicle	Sport Utility Vehicle	Trucks	Buses	Motorcycles /Tricycles	Trailers	Total
Private								
2Q 2013	2,967	12,656	1,415	4,243	29	40,904	875	63,089
2Q 2014	3,191	13,870	1,754	4,610	32	45,067	699	69,223
Government								
2Q 2013	16	393	36	147	9	209	-	810
2Q 2014	16	389	48	133	8	283	1	877
For Hire								
2Q 2013	-	1,731	2	106	164	18,009	55	20,067
2Q 2014	-	1,791	2	125	106	15,461	21	17,506
Total								
2Q 2013	2,983	14,780	1,453	4,496	202	59,122	930	83,966
2Q 2014	3,206	16,050	1,804	4,868	146	60,811	721	87,606

Source: DOTC-LTO Region 2

**Table 26. Number of Licenses and Permits Issued, Region 2,
Second Quarter, CY 2013 and CY 2014**

	Professional		Non-Professional		Student Permit		Conductors License		Total	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Batanes	102	116	174	183	320	314	-	-	596	613
Cagayan	7,447	7,459	2,377	2,538	5,667	6,002	34	39	15,525	16,038
Isabela	9,612	10,994	2,604	3,041	7,281	10,251	31	20	19,528	24,306
Nueva Vizcaya	3,439	3,341	652	643	2,156	2,031	14	4	6,261	6,019
Quirino	940	859	177	168	727	709	2	1	1,846	1,737
REGIONAL TOTAL	21,540	22,769	5,984	6,573	16,151	19,307	81	64	43,756	48,713

Source: DOTC-LTO Region 2

**Table 27. Revenue Generated by District/Extension Office, Region 2
Second Quarter, CY 2013 and CY 2014**

District/Extension Office	2Q 2013	2Q 2014
APARRI D.O.	11,123,979.18	8,175,744.85
ARITAO E.O.	4,560,157.44	4,844,849.96
BASCO D.O.	937,525.00	1,047,803.00
BAYOMBONG D.O.	14,001,367.95	14,156,020.51
CABAGAN E.O.	6,350,638.00	5,676,468.95
CABARROGUIS D.O.	7,493,529.79	6,307,248.86
CAUAYAN E.O.	19,141,602.22	19,113,852.60
GATTARAN E.O.	5,095,484.58	4,114,185.61
ILAGAN	9,803,696.51	9,539,611.27
TUAO E.O.	2,794,405.75	2,373,885.75
ROXAS D.O.	11,785,288.59	12,323,075.98
SANCHEZ MIRA E.O.	5,078,234.14	3,945,071.46
SAN ISIDRO D.O.	15,656,673.99	15,472,867.89
SANTIAGO E.O.	11,386,400.90	12,432,775.54
TUGUEGARAO LIC.	5,041,392.67	5,063,652.30
TUGUEGARAO D.O.	19,800,588.30	22,223,089.93
OPERATION DIV.	3,460,170.36	3,847,076.74
NEW REGISTRATION UNIT	-	15,456,646.36
REGIONAL OFFICE	8,375.00	-
Total	153,519,510.37	166,113,927.56

Source: DOTC-LTO Region 2

**Table 28. Number and Value of Construction Projects from Approved Building Permits
Region 2, Second Quarter, CY 2013 and CY 2014**

Type of Construction	Number		Value (in million Php)	
	2Q 2013	2Q 2014	2Q 2013	2Q 2014
Residential	495	751	279.577	469.289
Single	484	704	232.476	336.930
Duplex/Quadruplex	-	3	-	1.789
Apartment/Accessoria	11	42	47.100	128.079
Residential Condominium	-	-	-	-
Others	-	2	-	2.489
Non-Residential	99	147	156.124	1,055.084
Commercial	39	110	81.397	230.580
Industrial	12	19	69.110	349.162
Institutional	3	16	3.327	472.720
Agricultural	-	2	-	2.620
Others	45	-	2.288	-
Additions	12	5	10.977	1.825
Alterations and Repairs	55	82	15.442	80.772
TOTAL	661	985	462.121	1,606.971

Source: PSA-NSO Region 2

**Table 29. Production of Metallic and Non-Metallic Mineral Commodities, Region 2
Second Quarter, CY 2013 and CY 2014**

Commodity/ Province	Production (cubic meter)	
	2Q 2013	2Q 2014
Sand and Gravel		
Cagayan	40,343.08	53,153.72
Isabela	145,861.04	440,511.44
Nueva Vizcaya	206,165.50	104,498.00
Quirino	15,220.00	25,410.00
<i>Sub-total</i>	<i>407,589.62</i>	<i>623,573.16</i>
Pure Sand		
Cagayan	-	7,066.16
Mixed		
Nueva Vizcaya	-	58,190.50
Boulders		
Cagayan	1,974.19	14,419.51
Nueva Vizcaya	6,641.50	10,130.50
Earth Material		
Cagayan	-	1,615.00
Magnetite Sand		
Cagayan	231,303.88	14,000.00
Nickel Ore		
Isabela	227,000.00	10,000.00
Copper Concentrate		
Nueva Vizcaya	-	18,764.00
TOTAL	874,509.19	757,758.83

Source: MGB Region 2