

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Philippines

**Post:** Manila

### Philippine Agriculture Declines in the First Quarter of 2016

**Report Categories:**

Agricultural Situation

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**Report Highlights:**

Philippine agriculture contracted 4.53 percent in the first quarter of 2016 due to a prolonged dry spell and damages caused by typhoons in the later part of 2015. The crops subsector declined 8.55 percent during the period with rice and corn output shrinking 9.97 and 19.07 percent, respectively, from the previous year's level. On the other hand, domestic livestock production expanded 4.66 percent while the local poultry industry grew 1.01 percent from their year ago levels. During the same period, the fisheries subsector contracted 5.11 percent. On the average, overall farmgate prices increased 3.19 percent in the first three months of 2016.

**General Information:**

The Philippine Statistics Authority (PSA), in its recently released report on the Performance of Philippine Agriculture for the January to March 2016 period, notes that prolonged dryness brought about by the El Nino weather disturbance, coupled with the destructive effects of typhoons Koppu and Melor in the second half of 2015, resulted in the decline (4.53 percent) of farm output in the first three months of 2016, compared to the previous year level.

Although production gains were realized by cassava (tapioca), tobacco, abaca (manila hemp), pineapple, coffee, sugarcane and mungbean in the first three months of 2016, overall crop production contracted by 8.55 percent brought down by the 9.97 and 19.07 percent decline in local rice and corn output, respectively. The crops subsector accounted for 52.06 percent of overall farm output in the first quarter of 2016.

Livestock production continued to be the bright spot of Philippine agriculture expanding 4.66 percent during the same period, and accounted for 17.18 percent of Philippine farm output. Hog production grew 5.47 percent and more than compensated for the -1.43 and -0.15 percent decline in water buffalo and goat output. The local cattle and dairy industries slightly increased with gains of 0.49 and 0.78 percent, respectively.

The Philippine fisheries subsector recorded a 5.11 percent reduction in output during the period as it accounted for 14.92 percent of total farm output.

The PSA notes that on the average, farmgate prices increased 3.19 percent in the first quarter of 2016. Increasing prices were reported in the crops and poultry subsectors (5.51 and 7.77 percent, respectively), while price reductions were recorded in the livestock (3.27 percent) and fisheries subsectors (0.33 percent).

Following is the link to the PSA report:

<http://agstat.psa.gov.ph/?ids=agriperformance>