

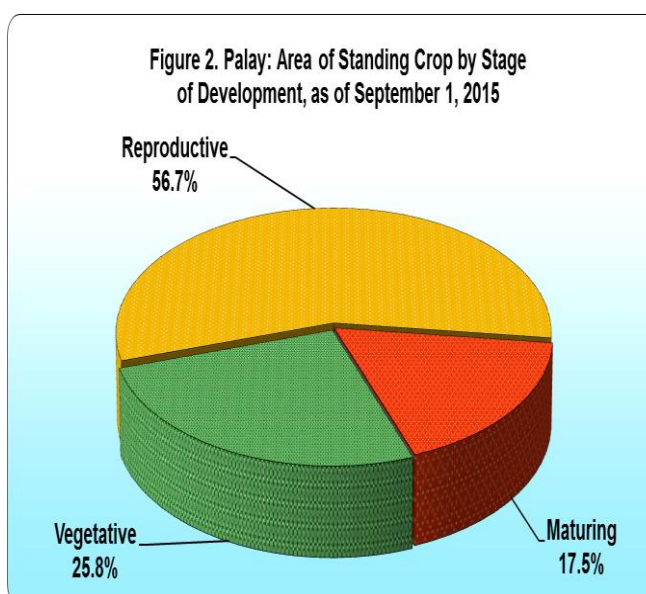
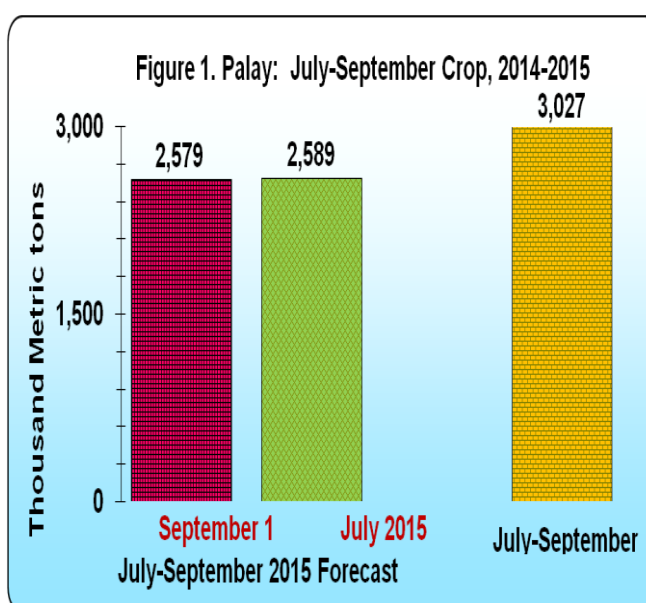
UPDATES ON JULY-SEPTEMBER 2015 PALAY AND CORN FORECASTS, AS OF SEPTEMBER 1, 2015

Highlights

As of September 1, 2015, the updated production on standing palay and corn crops for July-September 2015 may be lower compared with the July 2015 Round forecasts. This could be attributed to insufficient water supply caused by dry spell, incidence of stemborer, and the adverse effects of typhoons "Egay", "Hannah" and "Ineng" in some provinces.

PALAY

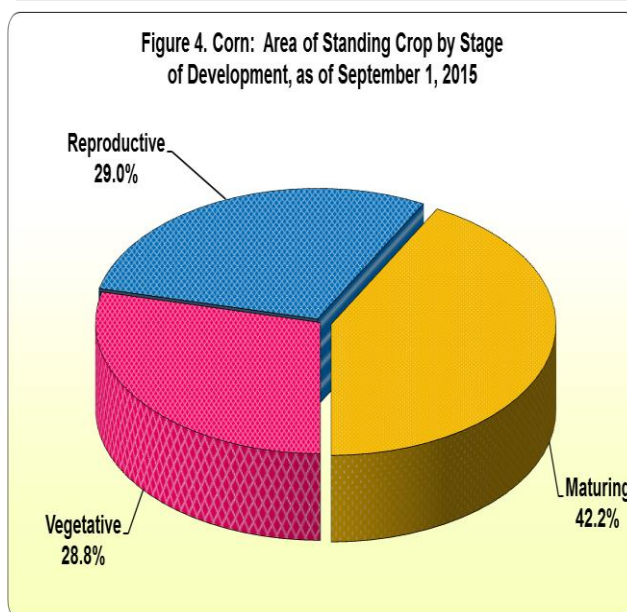
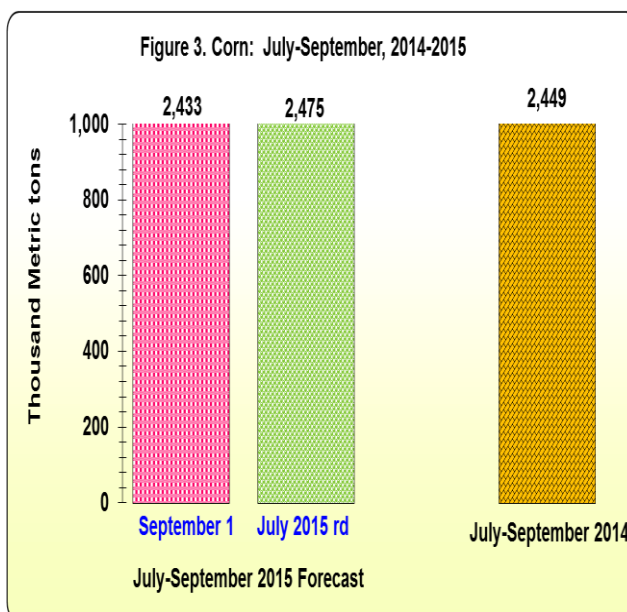
- Palay production for July-September 2015 may reach 2.58 million MT, 0.40% lower than the July 2015 round forecast of 2.59 million MT and 14.8% below last year's output of 3.03 million MT. Harvest area may contract from 658.09 thousand hectares to 656.91 thousand hectares. Yield may remain the same at 3.93 MT per hectare.
- Probable decline in production due to insufficient water supply and extreme heat caused by dry spell are expected in Maguindanao, South Cotabato, Sorsogon, Tarlac, Rizal, Bohol, and Surigao Sur.
- The incidence of stemborer may reduce the yield and may cause damaged areas to palay crop in South Cotabato and North Cotabato. The adverse effects of typhoons "Egay" and "Hannah" in Negros Occidental, and "Ineng" in Cagayan, Ilocos Norte and Ilocos Sur may result in reduced harvest areas and decreased yield which may bring about lower production.
- Around 203 thousand hectares of the updated standing crop have been harvested. About 1,692 thousand hectares or 86.1% of the planting intentions for the October-December 2015 crop have been realized.



- Of the 2,146 thousand hectares standing palay crop, 25.8% were at vegetative stage, 56.7%, at reproductive stage and 17.5%, at maturing stage.

CORN

- Corn production for the third quarter of 2015 may reach 2.43 million MT, 1.7% below the earlier forecast of 2.47 million MT and 0.60% short of the 2.45 million MT level last year. Harvest area may decline by 0.10% from 879.82 thousand hectares to 879.28 thousand hectares. Yield per hectare may drop from 2.81 MT to 2.77 MT.
- The probable decrease in corn output could be attributed to insufficient water supply in Isabela, Ifugao, Surigao Sur, Quirino, Batangas, Cebu and Davao Oriental and the adverse effects of prolonged dry spell that resulted in smaller cobs produced.
- Reduction in harvest areas and yield caused by typhoon “Ineng” in Cagayan, Kalinga, and Apayao and typhoon “Hannah” in Iloilo and Negros Oriental may also contribute to the decrease in output.
- About 443 thousand hectares of the updated standing crop have been harvested. Around 473 thousand hectares or 72.7% of the planting intentions for the October-December 2015 harvests have been materialized.



- Of the updated 909 thousand hectares of standing corn crop, about 28.8% were at vegetative stage, 29.0%, at reproductive stage and 42.2%, at maturing stage.