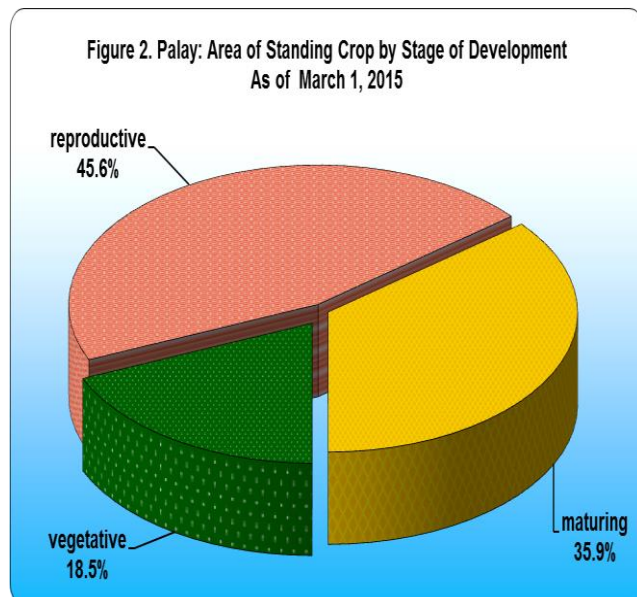
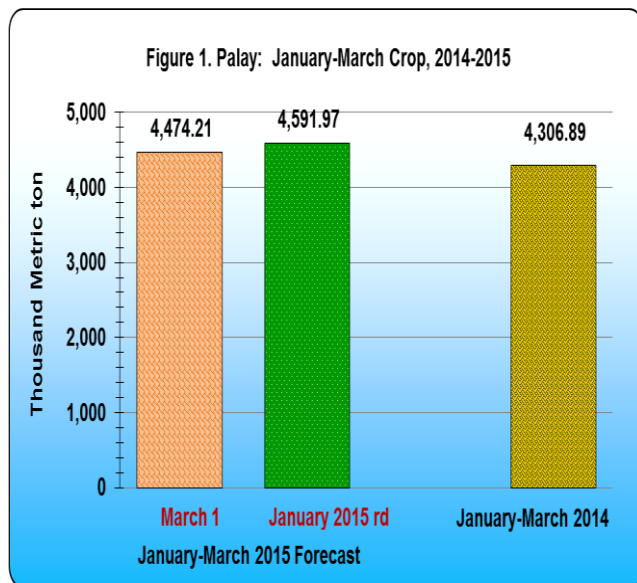


## Highlights

As of March 1, 2015, the updated January-March 2015 forecasts on palay and corn standing crops is foreseen to decline compared with the January 2015 Round forecasts. The decline could be attributed to contraction of harvest area and drop in yield due to the adverse effects of typhoons “Seniang” and “Amang”, intense heat, insufficient water supply, incidence of pests and diseases, and strong winds which resulted in lodging in some provinces.

### PALAY

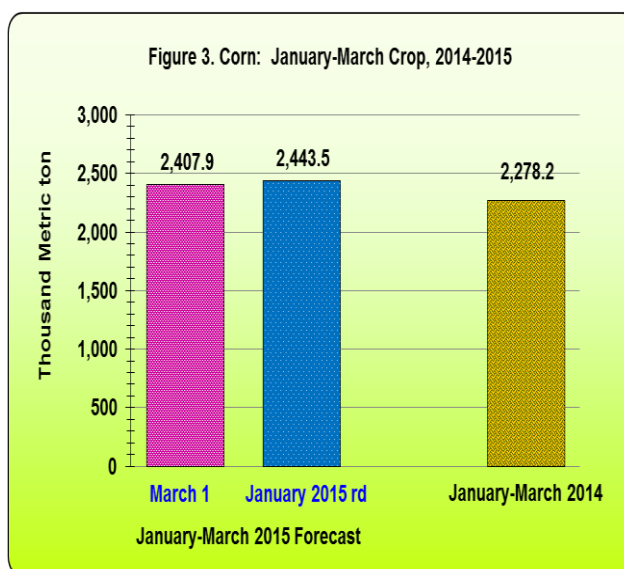
- The January-March 2015 palay production may reach 4.47 million MT. This is 2.6% below the January 2015 round forecast of 4.59 million MT but 3.9% above last year’s output of 4.31 million MT. Harvest area may contract from 1.17 million hectares to 1.16 million hectares. Yield may decrease from 3.93 MT per hectare to 3.85 MT per hectare.
- Contraction in harvest area and drop in yield could be the result of damages brought about by typhoons “Seniang” in Capiz and Negros Occidental last December 2014 and “Amang” in Camarines Sur last January 2015.
- Insufficient water supply and intense heat during the vegetative and reproductive stages of the crop in Iloilo, Tarlac, Camarines Sur, South Cotabato and Aklan may reduce the yield.
- The incidence of stemborer in Sultan Kudarat and South Cotabato, may contribute to lower production.
- Strong winds that resulted to lodging of crops at reproductive stage in Quezon and Sultan Kudarat may bring about reductions in yield.
- Other factors such as flashfloods caused by heavy rains in North Cotabato and some areas left unharvested in Maguindanao due to peace and order situation may result in lower outputs.



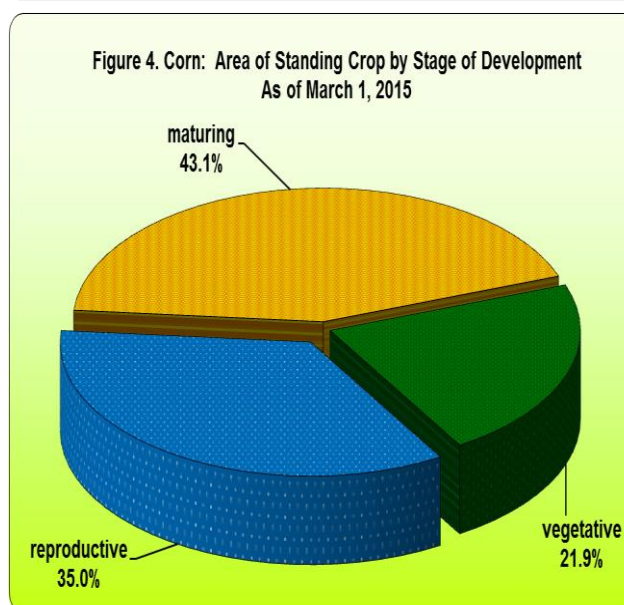
- Around 579 thousand hectares of the standing crop have been harvested. About 863 thousand hectares or 92.77% of the planting intentions for the April-June 2015 crop have been realized.
- Of the 1.44 million hectares of the updated standing palay crop, 18.5% were at vegetative stage; 45.6%, at reproductive stage; and 35.9%, at maturing stage.

## CORN

- Corn production for the first quarter of 2015 may reach 2.41 million MT, 1.5% less than the January 2015 forecast of 2.44 million MT but 5.7% more than last year's level of 2.28 million MT. Harvest area may decline by 0.2%, from 720 thousand hectares to 718 thousand hectares. Yield may drop from 3.39 MT to 3.35 MT per hectare.



- The probable decrease in output could be attributed to the adverse effects of intense heat and insufficient water supply to crops in Iloilo, South Cotabato, Sultan Kudarat, Camarines Sur, Davao del Sur and Sarangani.



- Contraction in harvest area and lower yield could be due to the effects of typhoons "Seniang" and "Amang" in Capiz and Camarines Sur.

- The effect of rainshowers during flowering stage of the crop in Cagayan, insufficient usage of fertilizer in Tarlac, infestation of rats in Sarangani, and strong winds which resulted in lodging in Negros Oriental may contribute to lower production. Abandonment of some farms in Maguindanao due to peace and order situation may contribute to lower output.

- About 469 thousand hectares of the standing crop have been harvested. Around 298 thousand hectares or 74.0% of the planting intentions for the April-June 2015 harvests have materialized.

- Of the 548 thousand hectares of updated standing corn crop, about 21.9% were at vegetative stage; 35.0%, at reproductive stage; and 43.1%, at maturing stage.