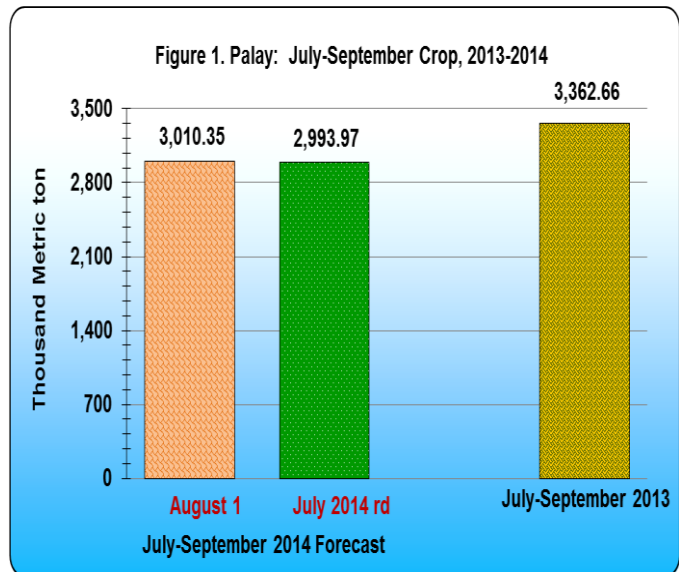


Highlights

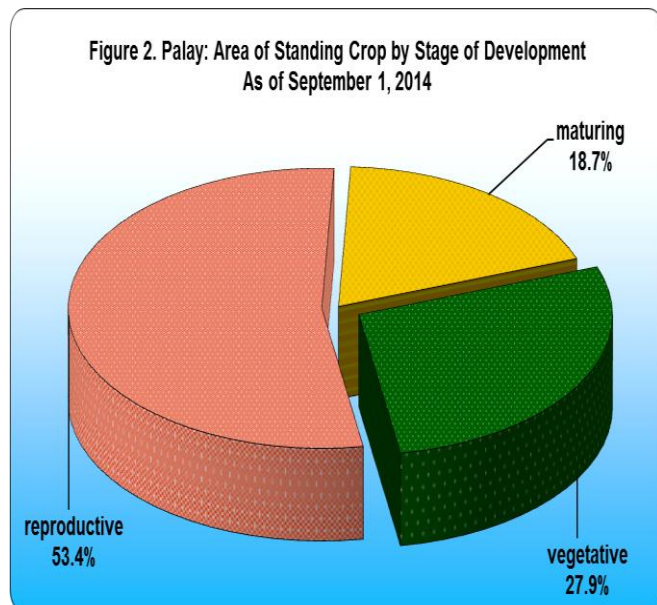
As of September 1, 2014, the updated July-September 2014 production on palay standing crop may increase while corn may decline compared with the July 2014 Round forecasts. The expected increase in palay output could be attributed to improvement in yield due to sufficient water supply, lesser incidences of pests and diseases and more fertilizer usage. On the other hand, the probable decrease in corn output may be due to the adverse effects of typhoon "Glenda" on the standing crop, hot weather condition, and incidences of rat and bird infestation.

PALAY

- Palay production for July-September 2014 may reach 3.01 million MT, 0.5% higher than the earlier forecast of 2.99 million MT but 10.5% below last year's output of 3.36 million MT. Harvest area may contract from 774.67 thousand hectares to 774.12 thousand hectares. Yield may increase from 3.86 MT per hectare to 3.89 MT per hectare.



- Probable increases in production due to improvement in yield as a result of sufficient water supply are expected in Isabela, Iloilo, Laguna and Cagayan. In Davao, Sultan Kudarat and Mt. Province, positive growth in outputs may be traced to lesser incidences of pests and diseases and more fertilizer usage. On the other hand, palay output may decrease in Camarines Sur, Cavite, Quezon, Negros Occidental, Batangas and Palawan. This may be due to the adverse effects of typhoon "Glenda" that affected yield and caused damage to palay in some areas. Lower output may also be expected due to damaged area caused by flashflood in North Cotabato, insufficient water supply due to hot weather during reproductive stage in Surigao Sur and Agusan Sur, and incidences of rat and bird infestation in Leyte.

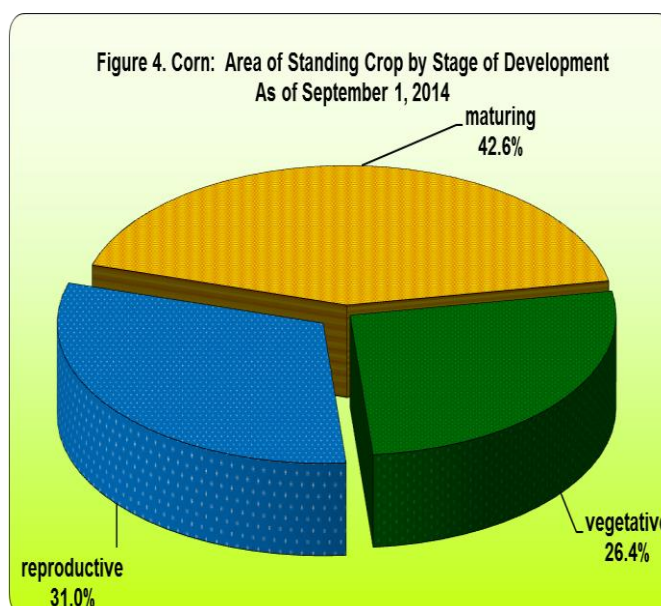
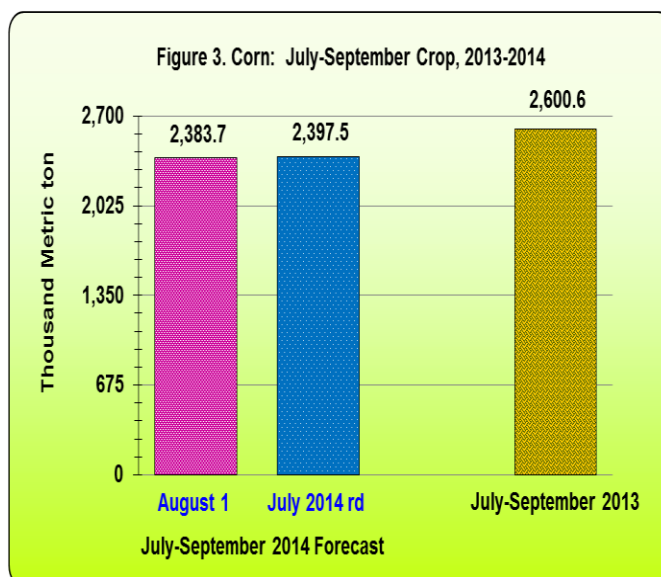


- Around 237 thousand hectares of the updated standing crop have been harvested. About 1.68 million hectares or 89.2% of the planting intentions for the October-December 2014 crop have been realized.

- Of the 2.22 million hectares standing palay crop, 27.9% were at vegetative stage; 53.4%, at reproductive stage and 18.7%, at maturing stage.

CORN

- Corn production for the third quarter of 2014 may reach 2.38 million MT. This would be 0.6% below the earlier forecast of 2.40 million MT and 8.3% lower than last year's level of 2.60 million MT. Harvest area may decline by 0.1%, from 864,832 hectares to 863,738 hectares. Yield may drop to 2.76 MT per hectare from the last quarter's forecast of 2.77 MT per hectare.
- The decline in yield in Camarines Sur and Masbate and the contraction in harvest areas in Quezon, Cavite and Laguna could be attributed to the adverse effects of typhoon "Glenda" to corn crop. In Negros Oriental, the decrease in yield may be due to hot weather during the vegetative stage of the crop. Rat infestation and intense heat during the reproductive and maturing stages of the crop may result in reduced output in Agusan Sur. In South Cotabato and Sultan Kudarat, the decrease in production could be traced to frequent heavy rains.



- About 496 thousand hectares of the updated standing crop have been harvested. Around 515 thousand hectares or 82.3% of the planting intentions for the October-December 2014 harvests have been realized.
- Of the updated 882 thousand hectares of standing corn crop, about 26.4% were at vegetative stage; 31.0%, at reproductive stage and 42.6%, at maturing stage.