

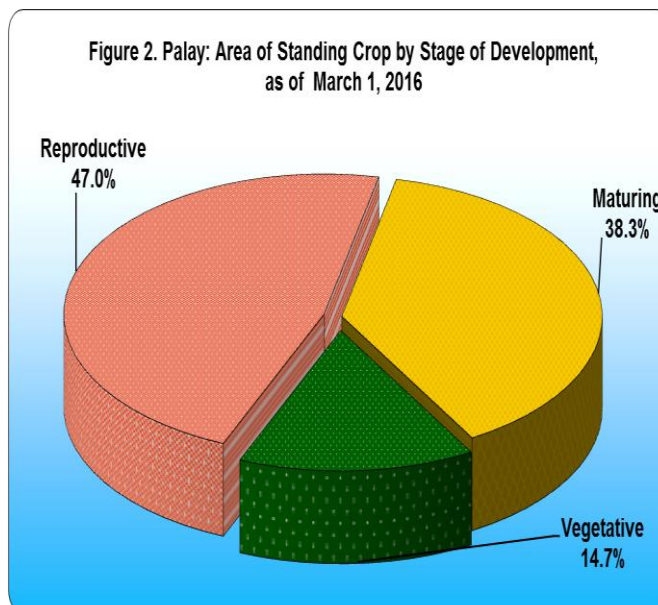
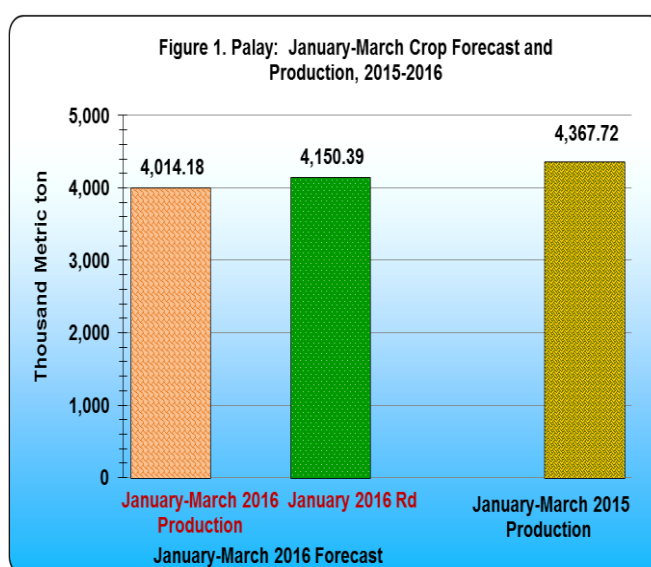
## UPDATES ON JANUARY-MARCH 2016 PALAY AND CORN FORECASTS, AS OF MARCH 1, 2016

### HIGHLIGHTS

*Based on standing crops as of March 1, 2016, palay and corn production forecasts for the January-March 2016 would be lower compared with the January 2016 Round forecasts. The probable decrease in production could be due to insufficient water supply and intense heat brought about by El Nino effects and, the adverse effects of typhoon "Nona" on standing crop last December 2015. Infestation of rats, rice black bugs and birds and; movement of harvests to second quarter may result to production decrease.*

### PALAY

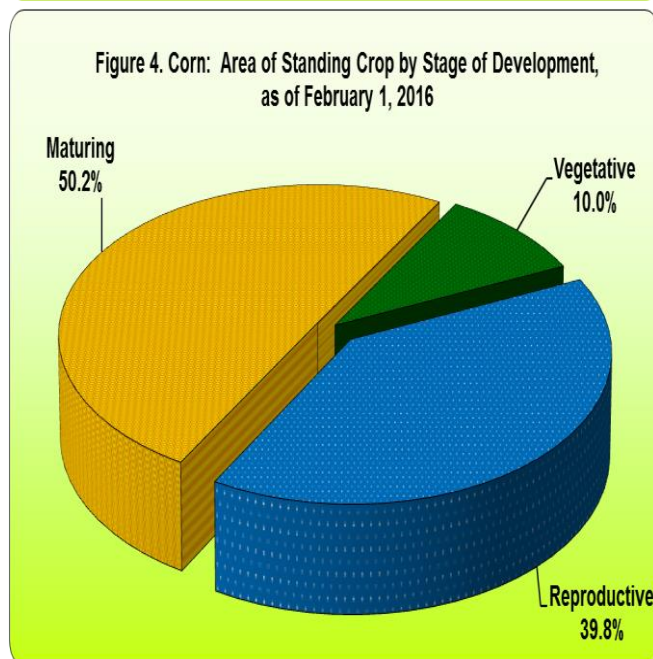
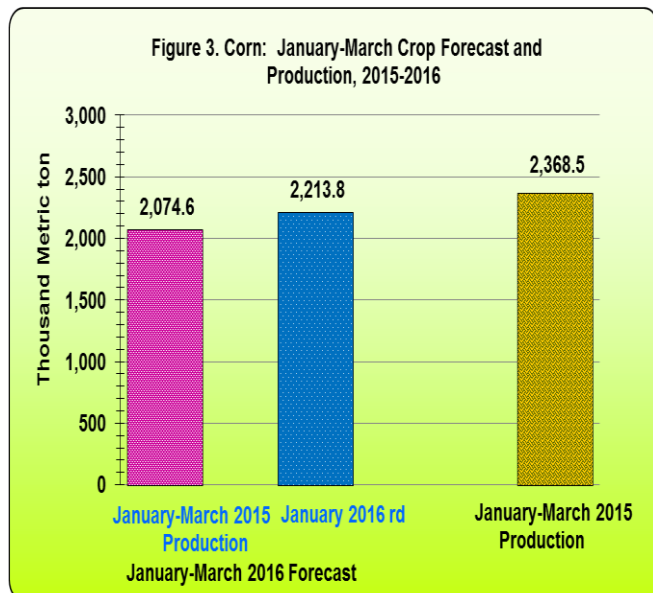
- Palay production for January-March 2016 may reach 4.01 million MT, 3.3% below the earlier forecast of 4.15 million MT and 8.1% lower than the 4.37 million MT output in 2015. Harvest area may contract from 1.10 million hectares to 1.096 million hectares, or by 0.4%. Yield may decline by 2.9%, from 3.77 MT per hectare to 3.66 MT per hectare.
- Probable decreases in production maybe attributed to insufficient water supply and intense heat brought about by prolonged dry spell during the reproductive and maturing stages of the crop. These were noted in Iloilo, Zamboanga Sibugay, Palawan, North Cotabato, Capiz, South Cotabato, Sultan Kudarat, Negros Occidental, Bohol, Bukidnon, Zamboanga Norte, Samar, Zambales, Antique, Negros Oriental, Quezon, Aklan and Guimaras. Across provinces, other causes of probable declines include: 1) the adverse effects of typhoon "Nona" in Cagayan and Aurora; 2) movement of harvest to second quarter in Cagayan due to delayed maturity of the crop; and 3) infestation of rats, rice black bugs and birds in North Cotabato, South Cotabato, Sultan Kudarat.



- Around 541 thousand hectares of the updated standing crop have been harvested. About 810 thousand hectares or 87.7% of the planting intentions for the April-June 2016 harvests have been realized (Table 2).
- The updated standing palay crop was 1.36 million hectares, of which, 14.7% were at vegetative stage; 47.0%, at reproductive stage; and 38.3%, at maturing stage.

## CORN

- The January-March 2016 corn production may reach 2.10 million MT, 6.3% lower than the January 2016 forecast of 2.21 million MT and 12.4% below the 2.37 million MT level in 2015. Harvest area may contract from 685.1 thousand hectares to 669.2 thousand hectares or by 2.3%. Yield per hectare may drop from 3.23 MT to 3.10 MT.
- The probable reduction in corn production are expected in Bukidnon, North Cotabato, South Cotabato, Ifugao, Iloilo, Sultan Kudarat, Sarangani, Negros Occidental, Negros Oriental, Quirino, Zamboanga Sibugay, and Capiz due to lower yield because of insufficient water supply and damages in some areas caused by El Nino phenomenon. In Bukidnon and Sultan Kudarat, the infestation of rats may contribute to lower output. Insufficient fertilizer application in Tarlac and the adverse effects of typhoon "Nona" in Isabela and Aurora may bring production to drop.



- About 370 thousand hectares of the updated standing crop have been harvested. Around 260 thousand hectares or 72.2% of the planting intentions for the April-June 2016 harvests have already been planted.
- Of the updated standing corn crop, about 10.0% were at vegetative stage; 39.8%, at reproductive stage; and 50.2%, at maturing stage.