

Dole unit starts operating P306-M Lanao del Sur pineapple plant

DOLE PHILIPPINES, Inc.'s new fresh pineapple packing plant in Lanao del Sur was formally launched last week amid plans to expand surrounding plantations to increase output.

The P306-million facility is operated by Dole Philippines subsidiary Wao Development Corp. (WDC), which registered the project with the Regional

Bangsamoro Board of Investments in 2019.

"The WDC pineapple packing plant is capable of operating at a capacity of 2,000,000 boxes of pineapple but our plant was designed for 6,000,000 boxes rated capacity," WDC President Francis Babac said in a statement issued on Sunday by the Bangsamoro government.

WDC operates 1,200 hectares of pineapple plantations in Wao, Lanao del Sur, which is adjacent to Dole's pineapple plantations in Bukidnon.

"We are planning to expand our planted areas for pineapple with additional 1,400 hectares by investing more than P200 million," Mr. Babac said.

"Hopefully in the BARM (Bangsamoro Autonomous Region in Muslim Mindanao) and adjacent areas, to address the gap in our packing plant production," he added.

Output from the plant will be exported around the Asia Pacific, particularly Japan and South Korea, as well as the Middle East.

Dole Philippines is owned by Japanese trading company Itochu Corp.

Board of Investments Chair Ishak V. Mastura said the regional government is ready "to help WDC find consolidated areas for their new pineapple plantation in the region" and offer fiscal incentives.

The company, one of the biggest employers in the province, has been

granted income tax holidays and reduced tariffs for imported capital equipment for the packing plant, which has least 1,200 workers.

"WDC is an ideal foreign investor for BARM because of the high-value crop and dollar export potential of their product," Mr. Mastura said. — **Mariff S. Jara**

Bigger land boosts Bicol region's 2021 palay, corn outputs

THE Department of Agriculture (DA) said palay production in the Bicol region posted growth of 4.01% growth, while corn output rose 3.81% growth in 2021 amid an increase in the land area planted to the two staple crops, with rice benefiting from greater adoption of hybrid seed.

The region reported palay production of 1.35 million metric tons (MT), a record, while corn output came in at 292,748 MT, according to the Philippine Statistics Authority.

DA Bicol Regional Executive Director Rodel P. Tornilla said palay output was the second record for Bicol since 2011.

He said strong performances were turned in by farmers in areas practicing a clustering strategy, where resources are shared by cultivators pooling their small plots.

Rice and Corn Program Head Earl Vincent P. Vegas said that the increase in yield could

be attributed to the expansion of the hectareage planted to hybrid rice.

Camarines Norte posted an increase in palay production of 7.17% to 116,292.63 MT, followed by Camarines Sur, where output grew 5.04% to 683,203 MT. Sorsogon posted output growth of 3.97% to 150,793.40 MT; Albay 3.95% to 224,533 MT; and Masbate 0.50% to 148,754 MT. Output in Catanduanes contracted 13.48% to 23,376 MT.

Output of yellow corn, the variety used for animal feed, was 220,170.50 MT in 2021, while white corn output was 75,577.78 MT.

The area planted to corn increased by 1.82% to 108,929.87 hectares in 2021.

Camarines Sur has the most land planted to corn (47,838 hectares), followed by Masbate (38,722 hectares), Albay (20,699 hectares), and Camarines Norte (1,029). — **Luisa Maria Jacinta C. Jocson**

Illegal fishing crackdown seen as key to meeting output goals

By Luisa Maria Jacinta C. Jocson

THE government must step up with its enforcement efforts against illegal, unreported, and unregulated fishing (IUUF) if it hopes to meet the fisheries output target for the year, an advocate for ethical fishing practices said.

"For illegal fishing alone in the municipal fisheries sector, we are losing around 257,000 to 402,000 metric tons (MT) of fish a year, which amounts to P24 to P37.8 billion," Panggisdan Natin Gawing Tama (PANAGAT) Network Representative Dennis F. Calvan said in a Viber message.

In a televised briefing on Feb. 10, the Department of Agriculture (DA) said it expects a self-sufficiency rate in fishery resources of 92% this year.

"The 92% fishery resource sufficiency rate is achievable with the proper implementation of Republic Act (RA) No. 10654, which amended the Philippine Fisheries Code of 1998, to combat IUUF," Mr. Calvan said.

Mr. Calvan also urged the government to monitor commercial fishing vessels involved in illegal fishing.

"The Bureau of Fisheries and Aquatic Resources (BFAR) should assist local government units to protect and manage the 15 kilometer

(km) municipal waters zone; ensure the constitutionally guaranteed preferential rights to the 2.3 million registered fisherfolk over the use of coastal resources, protect the critical fishery habitats, which serve as spawning grounds, from damage; and continue implementing the closed fishing season as determined by best scientific evidence," he added.

For the first quarter, the DA's fish supply outlook data indicated a self-sufficiency level of 85% due to typhoon damage. In the second quarter, the projection is for a rate of 106% with the opening of fishing season by then.

The DA projects a self-sufficiency rate of 89% for the third quarter and 87% for the fourth quarter.

In a joint statement, fishermen's associations have urged the government to enforce the rules requiring Vessel Monitoring Systems (VMS) to properly monitor illegal fishing practices.

"Illegal fishing has remained a problem even if we have the law. The intrusion of commercial fishers in municipal waters caused this problem of overfishing. Our fish stocks are continuously decreasing at an alarming rate. This has caused unjust suffering to poor artisanal fisherfolk — that's why the government has to (live up to) its mandate to protect the coastal communities' livelihood and the food

security of the Filipino people," Oceana Vice-President Gloria E. Ramos said in a statement.

"We condemn the continued violations committed by commercial fishing vessels and call on enforcement agencies to include non-compliance with vessel monitoring measures in the list of violations (warranting vessel apprehension)," according to the joint statement.

The Malabon City Regional Trial Court (RTC) recently declared Fisheries Administrative Order (FAO) No. 266 unconstitutional. FAO No. 266 requires VMS installation in all commercial fishing vessels under the BFAR's Integrated Marine Environment Monitoring System.

"Requiring the installation of vessel monitoring measures on commercial fishing vessels (will) strengthen the monitoring, control and surveillance system required by the law to encompass all Philippine-flagged fishing vessels. Agriculture Secretary William D. Dar has vowed to implement vessel monitoring measures. The recent reversal in the position of the Office of the Solicitor General on FAO No. 266 implementation is baffling, to say the least," Ms. Ramos said.

"We call on the BFAR to push through with the implementation of vessel monitoring measures to intercept illegal commercial fishing in municipal waters," said Norlan Pagal, President of ANAK KO Fisherfolk Association.

China soymeal prices hit record highs, deal fresh blow to hog sector

BEIJING/SINGAPORE — China's soymeal futures soared to record highs last week on concerns about the scale of South America's drought-hit soybean crop and tightening meal supplies in domestic markets.

Elevated prices of soymeal, the top protein ingredient in animal feed, could

lift production costs for Chinese hog farmers who are already struggling with huge losses, and may push some to exit the market, traders and analysts said.

The most actively traded soymeal futures on the Dalian Commodity Exchange rallied to 3,792 yuan (\$596.22) per ton this week, the highest price on

record, and up 13% from before the week-long Chinese New Year holiday.

Worries about how smaller South American crops will tighten the global soybean balance was the main driver behind the meal rally, although tightness in the domestic meal market was also supportive, analysts and traders said. — **Reuters**

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Rates,
from S1/1



THE PHILIPPINE STAR/MICHAEL VARDAS

SHOPPERS buy flowers at the Dangwa market in Manila, a day before Valentine's Day, on Feb. 13.

impose a stricter Alert Level 3 in Metro Manila and other parts of the country in January. The alert level was downgraded starting this month, allowing businesses to boost capacity.

Alvin Joseph A. Arogo, vice-president and head of research at Philippine National Bank (PNB), said the central bank might soon become more comfortable in tightening monetary policy once the economy recovers by the third quarter of 2022.

"We believe the BSP will likely start its rate hike cycle on June 23, which will be the second Monetary Board meeting after the May 9 elections. Moreover, we have baseline forecast of two 25-basis-point (bp) rate hikes this year," he said.

Mr. Diokno has said he wanted to see four to six quarters of consecutive growth before considering a rate hike.

The economy rose by 7.7% in the last three months of 2021, marking its third straight quarter of annual growth and bringing full-year economic expansion to 5.6%. This was a turnaround from the record 9.6% contraction in 2020.

EASING INFLATION

Slower inflation will buy the central bank time to retain an accommodative stance at least in the next few policy reviews, some analysts said.

The consumer price index rose by 3% in January, the first time 2018 was used as base

year from 2012 previously. This was slower than 3.6% in December and was within 2-4% target.

In 2021, inflation settled at 4.5%, mainly due to higher food and oil prices.

"The Monetary Board could afford to remain accommodative for the time being, notwithstanding the significant upside risks posed by global crude prices amid a gradual improvement in the Philippine economy," Security Bank Corp. Chief Economist Robert Dan J. Roces said.

The BSP expects inflation to settle at 3.4% this year and at 3.2% in 2023.

The central bank would factor in elevated oil prices and its consequences for price stability, said Makoto Tsuchiya, an economist at Oxford Economics

"This price development, as well as our expectation of four rate hikes in the US this year, will lead to the BSP raising rates in the third quarter to contain inflation, currency depreciation, and possibly related capital flight," he said.

The BSP should consider global monetary policy tightening among major central banks at its next policy reviews, ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said.

"Rate hikes from the Bank of England, policy tightening from the Fed by March and a possible reversal in the European Central Bank (ECB) stance within the year could alter the financial market substantially in the next few months," he said.

The Bank of England started raising interest rates early this month, while ECB officials may do so within the year. The Fed last month said it was considering a rate hike by March.

Mr. Mapa said 2018 was the year the peso tumbled by more than 9% and inflation rose sharply to 6.7%, taking along domestic borrowing costs with it. "Thus, we expect the BSP to also consider developments related to the impending Fed rate hike when it decides on its strategy for its own exit plan," he added.

The Fed in 2018 implemented a series of rate hikes amid upbeat economic growth and a strong labor market.

In the Philippines, this coincided with elevated inflation as low food supply caused prices to spike. In the same year, the BSP raised interest rates by a total of 175 bps.

The BSP last cut interest rates in November 2020. Rates have been unchanged since then.

After Thursday, the central bank will hold its next policy review on March 24.

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