

# Farm sector shows muted growth in 2018

**AGRICULTURE** remains a weak link to the Philippine economy as indicated by its growth of less than a percent last year.

The agriculture, forestry, and fishing sector's output, as measured by gross value added or the spread between the value of goods produced and the cost of materials and supplies used in producing them, inched up by 0.9% to P745.78 billion in 2018 from P739.20 billion in 2017, according to the Philippine Statistics Authority (PSA).

Last year's pace marked the sector's second straight year of growth.

However, this was slower than the 10-year high growth of 4% in 2017. It was also way below the sector's 2018 growth target of 2.5-3.5% under the Philippine Development Plan 2017-2022.

Moreover, the sector only contributed less than a tenth of a percentage point to the 6.2% growth in the country's gross domestic product in 2018.

The agriculture subsector, which accounted for 83.6% of total farm output, posted a combined growth rate of 1.1% to P623.77 billion in 2018. Meanwhile, the fishing subsector — with a 16.4% share of the total —

dropped by 0.2% to P122.02 billion, PSA figures showed.

In a separate report by the PSA entitled "Performance of Philippine Agriculture, October-December 2018," agricultural output grew by 0.6% in 2018, missing the government's 4% growth target for the year.

Nevertheless, the 10 agriculture companies included in this year's edition of the *Top 1000 Corporations in the Philippines* showed robust growth last year as their aggregate gross revenue amounted to P166.78 billion in 2018, up 10.8% from the year before.

San Miguel Foods, Inc. led the pack with P95.25 billion in gross revenue — up 12.3% from 2017 — to land on the 18<sup>th</sup> spot in the main ranking, steady from the previous year.

Meanwhile, Bounty Fresh Food, Inc. managed to make P14.93 billion in gross revenue, up 10.6% from the previous year. In the overall ranking, it claimed the 186<sup>th</sup> spot.

Rounding out the top five agriculture companies are Charoen Pokphand Foods Philippines Corp. (No. 189); Sumifru (Philippines) Corp. (No. 238); and Tagum Agricultural Development Co., Inc. (No. 289). — **Mark T. Amoguis** ■



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## SECTOR AT A GLANCE

YEAR	GROSS REVENUE % change	NET SALES % change	NET INCOME P billion	TOTAL ASSETS % change	TOTAL LIABILITIES % change	STOCK-HOLDERS' EQUITY % change	RETURN ON EQUITY	RETURN ON SALES	DEBT-TO-EQUITY RATIO
2014	5.0	6.2	3.20	7.1	9.0	4.3	0.1	0.0	1.5
2015	(9.1)	(9.1)	3.54	1.0	(13.3)	23.3	0.1	0.0	1.1
2016	5.1	4.9	1.72	7.6	9.0	6.1	0.1	0.0	1.2
2017	11.1	11.4	4.97	14.8	15.0	14.6	0.1	0.0	1.0
2018	10.8	11.3	6.95	34.2	39.6	28.4	0.1	0.0	1.1

Source: Financial statements from the SEC and companies included in the Top 1000

## GROSS VALUE ADDED

**Agriculture, Forestry and Fishing**

Growth in Percent (at constant 2000 prices)

