



**COMMODITY FLOW IN THE PHILIPPINES
FIRST QUARTER 2009
(Preliminary Results)**

Quantity of domestic trade declines, value increases

**Commodity
flow**

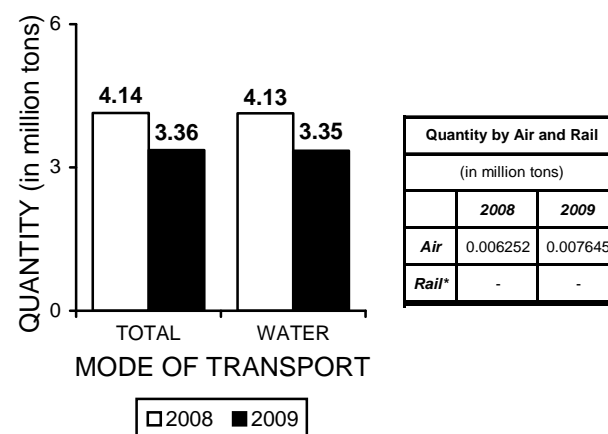
or domestic trade refers to the flow of commodities through the water, air and rail transport systems in the country.

Data on the inflow and outflow of commodities in the different regions of the country are used to construct interregional and inter-industry relation tables. These serve as bases in the formulation and implementation of various regional development programs like countryside development and port planning.

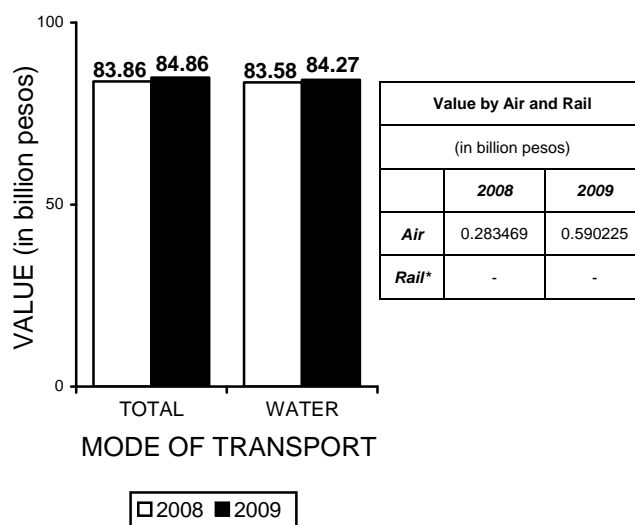
The total quantity of domestic trade transactions in the first quarter of 2009 decreased by 18.9 percent, resulting to 3.36 million tons from 4.14 million tons reported during the same period of last year. The commodities were traded mostly through water comprising 99.8 percent, the same percentage recorded in the first quarter of 2008.

On the other hand, the total value of commodities flowed within the country increased by 1.2 percent from PhP83.86 billion in the first quarter of 2008 to PhP84.86 billion in the same period of 2009. Shipment through water was the major mode of transport with shares of 99.7 percent and 99.3 percent in the first quarters of 2008 and 2009, respectively.

**Figure 1. Quantity of Domestic Trade by Water:
First Quarters 2008 and 2009**



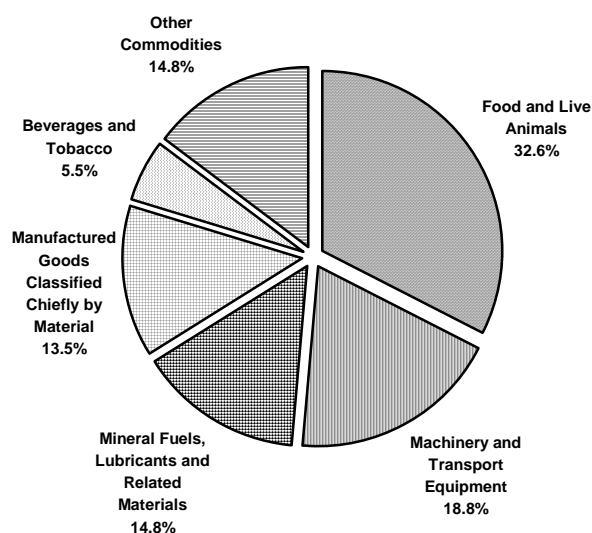
**Figure 2. Value of Domestic Trade by Water:
First Quarters 2008 and 2009**



Food and live animals contributes one-third of total domestic trade value

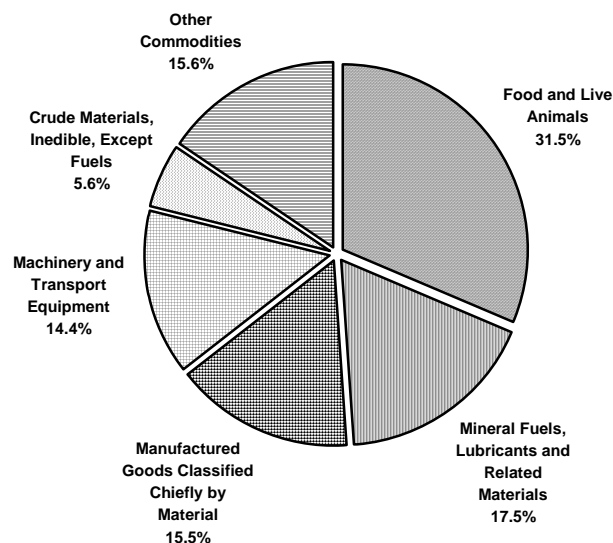
Among the commodities that were transacted throughout the country in the first quarter of 2009, food and live animals contributed the largest value amounting to PhP27.70 billion (32.6%). Machinery and Transport Equipment was next with PhP15.93 billion (18.8%). Mineral fuels, lubricants and related materials followed with PhP12.53 billion (14.8%). Animal and vegetable oils, fats and waxes shared the least value of PhP1.03 billion (1.2%). (See Table 1)

Figure 3. Percent Distribution of Value of Domestic Trade by Commodity Section: First Quarter 2009



Food and live animals likewise dominated the domestic trade in the first quarter of 2008, with a share of 31.5 percent (PhP26.38 billion) of the total value. Mineral fuels, lubricants and related materials was second with a 17.5 percent share (PhP14.67 billion). Manufactured goods classified chiefly by materials followed with a share of 15.5 percent share (PhP13.03 billion). Contributing the least value of PhP927.58 million was animal and vegetable oils, fats and waxes. (See Table 1)

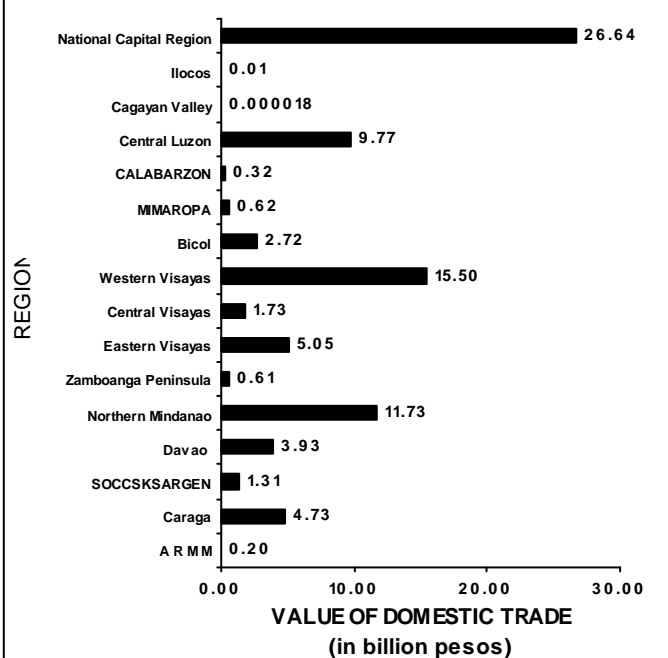
Figure 4. Percent Distribution of Value of Domestic Trade by Commodity Section: First Quarter 2008



National Capital Region (NCR) accounts for the largest value of domestic trade

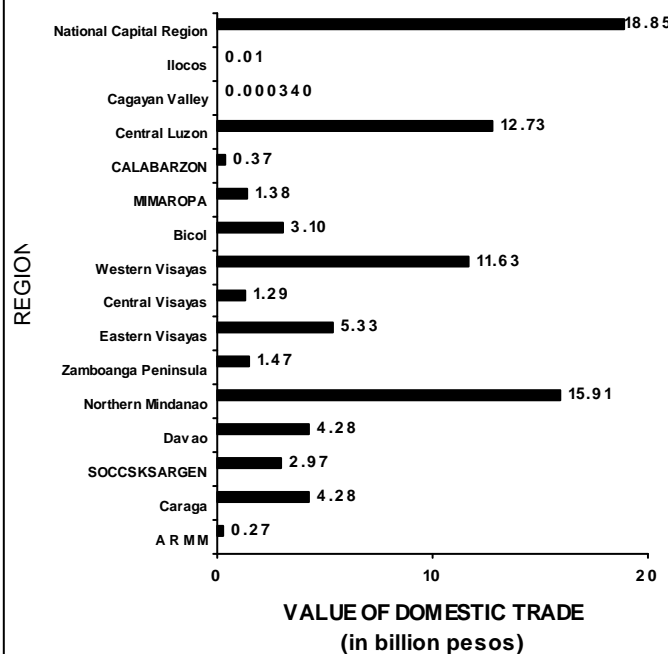
Most of the traded commodities in the first quarter of 2009 came from NCR with value of domestic trade amounting to PhP26.64 billion (31.4%). Western Visayas came second with PhP15.50 billion (18.3%). Northern Mindanao was next with PhP11.73 billion (13.8%). Central Luzon followed with PhP9.77 billion (11.5%). Cagayan Valley's domestic trade contributed the least share among the regions with only PhP18 thousand.

Figure 5. Distribution of Value of Domestic Trade by Region: First Quarter 2009



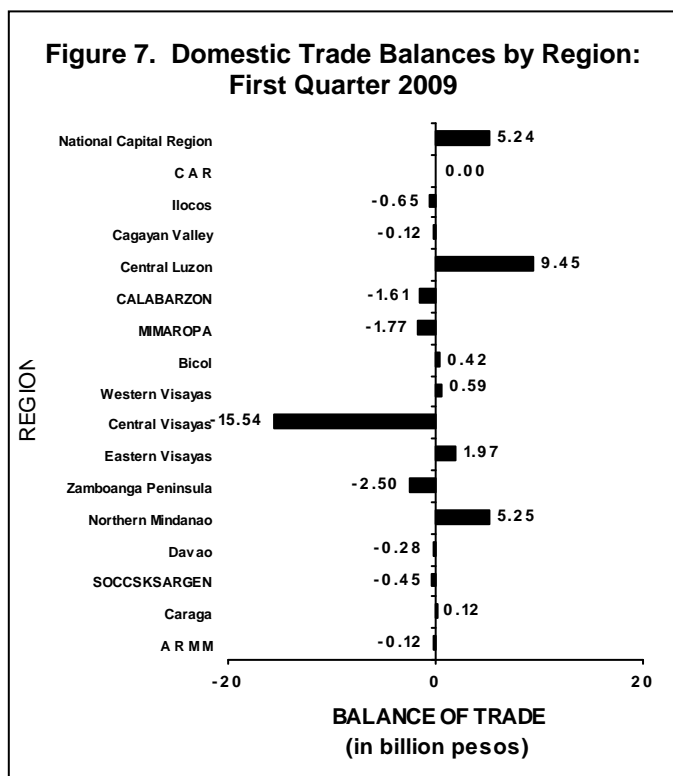
NCR also had the highest domestic trade share at PhP18.85 billion (22.5%) during the first quarter of 2008. Northern Mindanao was the second highest contributing region with PhP15.91 billion (19.0%). Central Luzon was next with PhP12.73 billion (15.2%). Western Visayas was fourth with PhP11.63 billion (13.9%). Cagayan Valley remained the least contributing region with only PhP340 thousand domestic trade share.

Figure 6. Distribution of Value of Domestic Trade by Region: First Quarter 2008

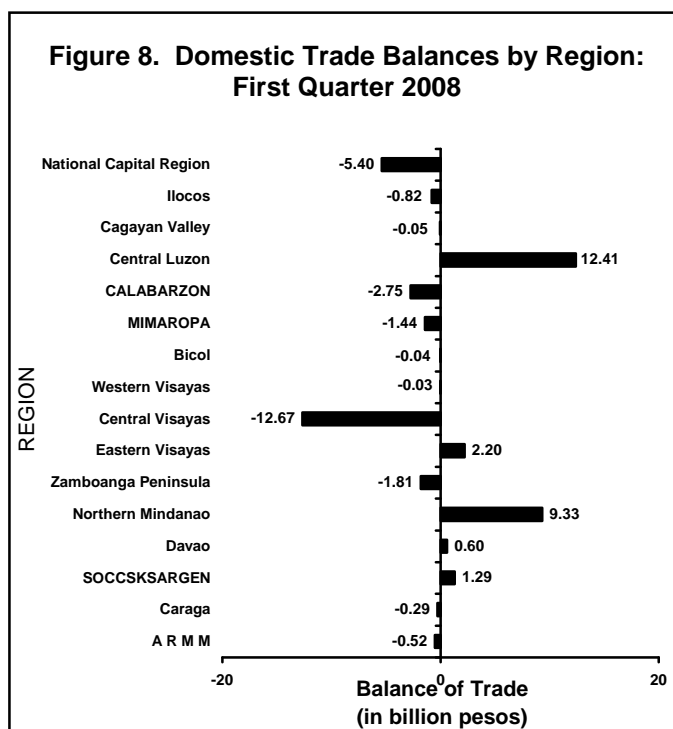


Central Luzon leads in favorable trade balance

In the first quarter of 2009, Central Luzon posted the most favorable balance of trade at PhP9.45 billion. Other regions which surpassed the billion positive trade balance were Northern Mindanao (PhP5.25 billion), NCR (PhP5.24 billion), and Eastern Visayas (PhP1.97 billion). On the other hand, Central Visayas suffered an unfavorable trade balance of negative PhP15.54 billion. Other regions with more than a billion negative trade balances were Zamboanga Peninsula (-PhP2.50 billion), MIMAROPA (-PhP1.77 billion), and CALABARZON (-PhP1.61 billion).



For the same period in 2008, Central Luzon also realized the most favorable trade balance at PhP12.41 billion. Three other regions recorded more than a billion positive trade balances namely: Northern Mindanao (PhP9.33 billion), Eastern Visayas (PhP2.20 billion), and SOCCSKSARGEN (PhP1.29 billion). On the other hand, Central Visayas suffered the most unfavorable balance of trade at negative PhP12.67 billion.



Notes:

1. DOMSTAT reports from the following provinces/cities were not yet received as of May 18, 2009, and were not included in this special release:
 - a. Occidental Mindoro – Coastwise (January to March 2009)
 - b. Cebu – Coastwise (January to March 2009)
 - c. Western Samar – Coastwise (February & March); Air (January to March 2009)
 - d. Southern Leyte – Coastwise (March 2009)
 - e. Cotabato City – Coastwise (March 2009)
 - f. Isabela City – Coastwise (January & March 2009)
 - g. Zamboanga City – Coastwise (February & March 2009)
 - h. Zamboanga Norte – Coastwise & Air (March 2009)
 - i. Basilan – Coastwise (March 2009)
 - j. Maguindanao – Coastwise (March 2009)
 - k. Sulu – Coastwise (January to March 2009)
 - l. Tawi–Tawi – Coastwise (January to March 2009)
2. As of first quarter of 2009 Philippine National Railways (PNR) still not resume its operation.