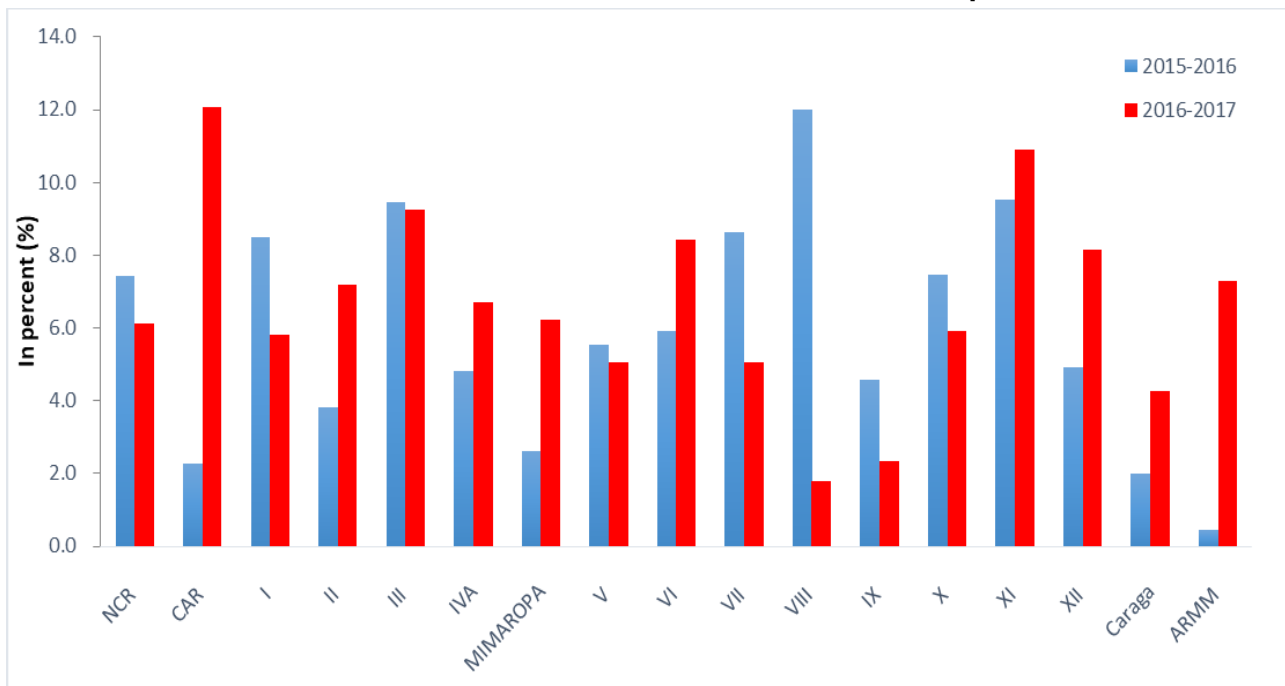




Normin Economy Up by 5.9% in 2017

Northern Mindanao’s economy expanded by 5.9 percent in 2017. This rate of expansion was slower by 1.6 percentage points from its recorded growth of 7.5 percent in 2016. The deceleration was due to the slowdown in the Industry and Services.

Figure 1. Growth Rates of Regional Economies: 2015-2016 and 2016-2017, at Constant 2000 Prices, in percent



Services posted the highest growth rate among the three main industries at 6.6 percent. Such growth, however, was slower than the growth recorded by Services in the previous year at 8.3 percent. Industry, likewise, expanded by 5.9 percent in 2017, a deceleration by 3.9 percentage points from its growth of 9.8 percent in the previous year. Meanwhile, AHFF grew at a faster rate, that is, from 2.4 percent in 2016 to 4.7 percent in 2017. (Table 1)

Services grew by 6.6 percent in 2017, lower than the 8.3 percent growth in the previous year. Three of its sub-industries posted decelerated growths namely: Trade, Financial Intermediation and Other Services. Trade, which accounted for the biggest share in the total output of Services, expanded at a slower rate of 5.9 percent as compared with the growth of 10.4 percent in the previous year. Financial Intermediation also decelerated to 7.6 percent from the 11.0 percent growth in 2016. Other Services expansion was also slower in 2017 with a

recorded rate of expansion of 8.0 percent from 8.7 percent growth in 2016. On the other hand, there were also sub-industries which posted accelerated growths. TSC accelerated to 7.5 percent from 6.1 percent; RERBA by 5.1 percent from 5.0 percent and PAD by 5.4 percent from 4.8 percent growth. (Table 1)

**Table 1. NORTHERN MINDANAO GRDP BY INDUSTRIAL ORIGIN,
GROWTH RATES: 2015-2016 & 2016-2017 (at constant 2000 prices, in percent)**

INDUSTRY	2015-2016	2016-2017
I. AGRICULTURE, HUNTING, FORESTRY & FISHING	2.4	4.7
a. Agriculture and Forestry	2.2	5.7
b. Fishing	4.0	(1.6)
II INDUSTRY SECTOR	9.8	5.9
a. Mining and Quarrying	16.0	10.5
b. Manufacturing	5.9	5.5
c. Construction	27.7	2.2
d. Electricity, Gas and Water Supply	(1.2)	13.8
III SERVICE SECTOR	8.3	6.6
a. Transportation, Storage & Communication	6.1	7.5
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	10.4	5.9
c. Financial Intermediation	11.0	7.6
d. Real Estate, Renting & Business Activities	5.0	5.1
e. Public Administration & Defense; Compulsory Social Security	4.7	5.4
f. Other Services	8.7	8.0
GROSS DOMESTIC PRODUCT	7.5	5.9

Industry also expanded at a slower rate of 5.9 percent compared with the 9.8 percent growth in the previous year. All of its subsectors except EGWS showed decelerated growths. Manufacturing, which accounted the biggest chunk of the total output in the Industry sector, grew by 5.5 percent compared with the 5.9 percent growth in the previous year. Mining & Quarrying also decelerated to 10.5 percent growth from 16.0 percent growth in the previous year. Construction also grew by 2.2 percent in 2017, slower than its growth in 2016 at 27.2 percent. EGWS, on the

other hand, rebounded from the recorded decline in 2016 of 1.2 percent to 13.8 percent growth in 2017. (Table 1)

Meanwhile, AHFF increased at a faster rate of 4.7 percent compared with the 2.4 percent growth in the previous year. Agriculture and forestry accelerated its growth to 5.7 percent from the 2.2 percent growth in the previous year. Fishing, on the other hand, posted a decline by 1.6 percent, compared with the recorded growth of 4.0 percent in the previous year. This was driven by the decline in tiger prawn and seaweed production. (Table 1)

Structure of the Regional Economy

**Table 2. NORTHERN MINDANAO GRDP BY INDUSTRIAL ORIGIN,
PERCENT DISTRIBUTION: 2015-2017 (at constant 2000 prices)**

INDUSTRY	2015	2016	2017
I. AGRICULTURE, HUNTING, FORESTRY & FISHING	23.0	21.9	21.6
a. Agriculture and Forestry	20.0	19.0	18.9
b. Fishing	3.0	2.9	2.7
II INDUSTRY SECTOR	34.2	35.0	35.0
a. Mining and Quarrying	0.4	0.5	0.5
b. Manufacturing	20.5	20.2	20.1
c. Construction	7.8	9.2	8.9
d. Electricity, Gas and Water Supply	5.5	5.1	5.5
III SERVICE SECTOR	42.8	43.1	43.4
a. Transportation, Storage & Communication	7.4	7.3	7.4
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	15.4	15.8	15.8
c. Financial Intermediation	3.5	3.6	3.7
d. Real Estate, Renting & Business Activities	5.2	5.1	5.1
e. Public Administration & Defense; Compulsory Social Security	3.1	3.0	3.0
f. Other Services	8.1	8.2	8.4
GROSS DOMESTIC PRODUCT	100.0	100.0	100.0

The economy of Region 10 is predominantly services-based. Services accounted for 43.4 percent of the region's total output, followed by Industry at 35.0 percent and AHFF at 21.6 percent. The percent shares of Services and Industry to the total economy of the region increased while AHFF decreased. (Table 2)

Among the sub-industries, the three biggest sub-industries in 2017 were the following: Manufacturing which accounted for 20.1 percent of the total economic output of the region, followed by Agriculture and Forestry accounting 18.9 percent and Trade which accounted for 15.8 percent. (Table 2)

Contribution to GRDP Growth

Services was the largest contributor to the economic growth of Northern Mindanao in 2017 contributing 2.8 percentage points to the total 5.9 percent economic growth. Industry and AHFF contributed 2.1 and 1.0 percentage point, respectively.

Among the sub-industries, the top three contributors to the region's economic growth were: Manufacturing and Agriculture and Forestry with 1.1 percentage points and Trade with 0.9 percentage point. (Table 3)

Table 3. NORTHERN MINDANAO GRDP BY INDUSTRIAL ORIGIN, CONTRIBUTION TO GROWTH: 2015-2017 (at constant 2000 prices)

INDUSTRY	2015-2016	2016-2017
I. AGRI., HUNTING, FORESTRY & FISHING	0.6	1.0
a. Agriculture and Forestry	0.4	1.1
b. Fishing	0.1	(0.1)
II. INDUSTRY SECTOR	3.4	2.1
a. Mining and Quarrying	0.1	0.1
b. Manufacturing	1.2	1.1
c. Construction	2.2	0.2
d. Electricity, Gas and Water Supply	(0.1)	0.7
III. SERVICE SECTOR	3.6	2.8
a. Transport, Storage & Communication	0.5	0.6
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	1.6	0.9
c. Financial Intermediation	0.4	0.3
d. R. Estate, Renting & Business Activities	0.3	0.3
e. Public Administration & Defense; Compulsory Social Security	0.2	0.2
f. Other Services	0.7	0.7
GROSS REGIONAL DOMESTIC PRODUCT	7.5	5.9

Region 10 vis-à-vis Other Regions

Region 10 was the eleventh fastest growing regional economy in the Philippines in 2017. Its ranking was five ranks lower than its ranking in 2016. It was one of the nine regional economies which posted a growth rate lower than the national growth rate at 6.7 percent. It was also one of the eight regions which posted decelerated growth rate in 2017. (Table 4)

Table 4. GROWTH RATES OF REGIONAL ECONOMIES: 2016 & 2017
(at constant 2000 prices, in percent)

REGION	Growth Rates		2017 Rank
	2015-2016	2016-2017	
NCR NATIONAL CAPITAL REGION	7.4	6.1	10
CAR CORDILLERA ADMINISTRATIVE REGION	2.3	12.1	1
I ILOCOS REGION	8.5	5.8	12
II CAGAYAN VALLEY	3.8	7.2	7
III CENTRAL LUZON	9.5	9.3	3
IVA CALABARZON	4.8	6.7	8
MIMAROPA REGION	2.6	6.2	9
V BICOL REGION	5.5	5.1	14
VI WESTERN VISAYAS	5.9	8.4	4
VII CENTRAL VISAYAS	8.6	5.1	13
VIII EASTERN VISAYAS	12.0	1.8	17
IX ZAMBOANGA PENINSULA	4.6	2.3	16
X NORTHERN MINDANAO	7.5	5.9	11
XI DAVAO REGION	9.5	10.9	2
XII SOCCSKSARGEN	4.9	8.2	5
XIII CARAGA	2.0	4.3	15
ARMM AUTONOMOUS REGION IN MUSLIM MINDANAO	0.4	7.3	6

In terms of percentage share in the Philippine economy, Northern Mindanao had the seventh biggest share of 3.7 percent. In other words, Region 10 was the seventh biggest regional economy in 2017. (Figure 2)



**Figure 2. PERCENT DISTRIBUTION OF REGIONAL ECONOMIES: 2017
(at constant 2000 prices)**

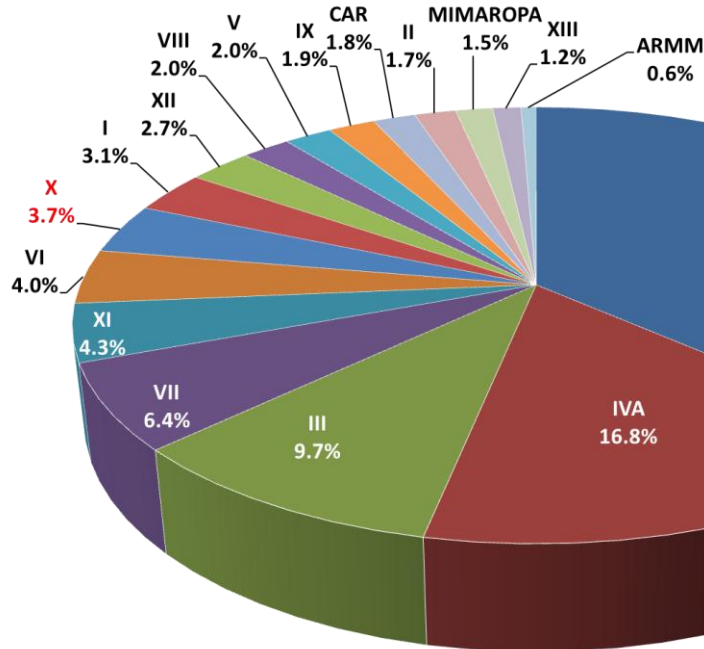


Table 5. PER CAPITA GRDP & PER CAPITA INDEX WITH REFERENCE TO THE NATIONAL AVERAGE: 2016 & 2017 (at constant 2000 prices)

REGION		PER CAPITA GRDP (in pesos)		2017 PER CAPITA INDEX
		2016	2017	
PHILIPPINES		78,676	82,592	100.0
NCR	METRO MANILA	232,739	244,453	296.0
CAR	CORDILLERA	75,401	83,044	100.5
I	ILOCOS	49,474	51,728	62.6
II	CAGAYAN VALLEY	39,344	41,600	50.4
III	CENTRAL LUZON	68,634	73,921	89.5
IVA	CALABARZON	94,811	99,328	120.3
	MIMAROPA	39,784	41,421	50.2
V	BICOL	26,686	27,504	33.3
VI	WESTERN VISAYAS	41,417	44,296	53.6
VII	CENTRAL VISAYAS	69,315	71,677	86.8
VIII	EASTERN VISAYAS	37,144	37,125	44.9
IX	ZAMBOANGA PENINSULA	43,043	43,300	52.4
X	NORTHERN MINDANAO	63,771	66,499	80.5
XI	DAVAO REGION	65,913	71,762	86.9
XII	SOCCSKSARGEN	45,459	48,240	58.4
XIII	CARAGA	35,537	36,308	44.0
ARMM	MUSLIM MINDANAO	13,366	13,989	16.9



Northern Mindanao's per capita GRDP in 2017 was PhP 66,499. It was the eighth highest per capita GRDP among the 17 regions. Region 10's per capita index with reference to the national average was registered at 80.5 percent indicating that the region's per capita GRDP is 19.5% lower than the PhP 82,592 national per capita GDP. (Table 5)

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