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# Batanes gets tilapia hatchery facility

BY LEANDER C. DOMINGO

**B**ATANES now has a tilapia hatchery that was constructed with the assistance of the Bureau of Fisheries and Aquatic Resources (BFAR) Region 2 (Cagayan Valley) office.

BFAR is an agency under the Department of Agriculture (DA).

The Municipal Tilapia Hatchery (MTH) in Barangay Raele in Itbayat will help Batanes attain a higher level of food security as its fishers and aquaculture operators can source their tilapia fingerlings within the island province.

"Batanes fish farmers will soon have their own local source of tilapia fingerlings," said BFAR Region 2 Director Angel Encarnacion.

The MTH is strategically located in the only area in Batanes with a freshwater lake favorable for aquaculture activities. It is seen sustainably boosting tilapia production in the northernmost part of the country, especially among communities that currently depend largely on their marine resources for income and food security.

It is equipped with breeding, nursery, and treatment and conditioning ponds, as well as a water system vital for hatchery operation. The facility is expected to produce from 300,000 to 500,000 pieces of tilapia fingerlings annually.

According to BFAR, the fin-

gerling production will cater to the requirements not only of the island municipality but of the whole province, helping it become self-sufficient in terms of supply of tilapia fingerlings.

In a video message during the inauguration of the MTH, Agriculture Secretary Francisco Tiu Laurel Jr. said, "Now that you have your own tilapia hatchery, you will no longer need to ride big waves just to obtain your supply of fingerlings from other provinces in the mainland just to be able to conduct fish farming."

He said the project is in line with the DA's goal to make agriculture and fisheries a viable investment option.

Batanes has at least six associations engaged in fish farming. They depend on fingerling supplies that are usually transported for long hours of land travel and by plane from the provinces of Isabela and Cagayan, entailing additional cost for transport alone.

BFAR also noted that by the time supplies reach Batanes, 50 to 70 percent of the fingerlings are dead.



■ Representatives from the Department of Agriculture, Bureau of Fisheries and Aquatic Resources, Batanes local government units and fishers' groups attend the recent inauguration of a tilapia hatchery in Itbayat, Batanes. CONTRIBUTED PHOTO

While capture fishing remains the primary source of livelihood among the locals as the province boasts a rich marine ecosystem and resources, the fishers admit to experiencing challenges to their productivity.

"This is mainly due to the island province's geographic characteristics and proneness to typhoons,

but with the hatchery, tilapia farming becomes a potential alternative livelihood," BFAR said.

The Provincial Fishery Office of Batanes also noted that with more locals witnessing the viability of culturing tilapia in tanks and the operationalization of the MTH, many residents are now also con-

structing fish-growing tanks. This will help address the supply gaps in fish during the lean season.

The BFAR Region 2 office also operates a Provincial Fishery Satellite Office in Barangay San Rafael to ensure that even the country's farthest fishing communities, such as those in Itbayat, are given

proper government support.

The satellite office supervises and administers fisheries-related operations, from ensuring sustainable fishing activities to promoting aquaculture initiatives "to empower the local fisherfolk while fostering a peaceful and collaborative fisheries governance within the locality."



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## Seaweed dev't plan in the works

THE DEPARTMENT of Agriculture (DA) said it is seeking to implement a development program for local seaweed production, beginning with the southern Philippine province of Tawi-Tawi, a major seaweed producing area.

"In order to address the emerging concerns of the seaweed industry in the province of Tawi-Tawi, a technical working group (TWG) for the assessment and sustainability of the seaweed industry is hereby created," the DA said in a special order.

Apart from providing support for seaweed growers in the province, the TWG is tasked with formulating policies to address the problems and concerns of the local seaweed industry.

Earlier, Agriculture Secretary Francisco P. Tiu Laurel, Jr. said that P1 billion was earmarked for investment in large tissue culture laboratories, dryers, warehouses, and technician training. — **Adrian H. Halili**

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## PSA: PH rice stocks drop by 3% to 1.37m tons as of Mar. 1

**By Othel V. Campos**

THE Philippines' stock of rice has dropped by three percent to an estimated 1.37 million metric tons (MTs) as of March 1, compared to 1.41 million metric tons inventory in the same period of the previous year.

Based on Philippine Statistics Authority (PSA) data released on April 5, month-on-month rice stocks went down by 9.6 percent in February 2024 from the January's inventory of 1.51 million MTs.

The Philippines' rice inventory dropped by 3 percent to an estimated 1.37 million metric tons (MT) as of March 1, compared to 1.41 million metric tons inventory in the same period of the previous year.

Based on Philippine Statistics Authority (PSA) data released on April 5, month-on-month rice stocks went down by 9.6 percent in February 2024 from January's inventory of 1.51 million MT.

As of March 1, rice stocks in the **National Food Authority (NFA)** warehouses and household sector registered annual decreases of 59.9 percent and 14.4 percent to 41,290 MTs and 694,620 MTs, respectively. However, commercial stocks increased by 27.5 percent to 630,290 MT from 778,890 MTs in the same period of 2023.

Compared to February 1, rice levels, inventories from the commercial establishments and NFA depositories showed month-on-month decreases of 19.1 percent and 12 percent, respectively. On the other hand, rice stocks among the households increased by 1.4 percent.



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**COCONUT SEEDLINGS.** The Philippine Coconut Authority (PCA) plans to plant 8.5 million coconut seedlings in 2024, after nurturing 2.1 million seedlings in 2023 under its massive coconut planting and replanting project, in line with President Ferdinand Marcos Jr.'s commitment to planting 100 million coconut trees by 2028.



Batanes fish farmers celebrate the inauguration of the Department of Agriculture – Bureau of Fisheries and Aquatic Resources (DA-BFAR) and the local government of Itbayat's first municipal tilapia hatchery in Barangay Raele in the island municipality of Itbayat, Batanes on April 4, 2024.

## BFAR, Itbayat Island open first tilapia hatchery

BATANES fish farmers will soon have their own local source of tilapia fingerlings as the Department of Agriculture-Bureau of Fisheries and Aquatic Resources (DA-BFAR) and the local government inaugurated on April 4, 2024 the province's first municipal tilapia hatchery in Barangay Raele in the island municipality of Itbayat.

The facility, equipped with breeding, nursery, treatment and conditioning ponds and a water system vital for hatchery operation, is expected to produce 300,000 to 500,000 pieces of tilapia fingerlings annually.

The production will cater to the requirements not only of the island municipality but also of the whole province, helping it become self-sufficient in terms of supply of tilapia fingerlings.

"Now that you have your own tilapia hatchery, you will no longer need to ride

big waves just to obtain your supply of fingerlings from other provinces in the mainland just to be able to conduct fish farming," Agriculture Secretary Francisco Tiu Laurel, Jr. said in his video message addressed to the local government and fish farmer participants of the inauguration program.

"This project is in line with the Department of Agriculture's goal to make agriculture and fisheries a viable investment option," he said.

The province has six associations engaged in fish farming who depend on supplies coming from Isabela and Cagayan.



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## Agency sustains training for rice processing facility operations

**THE Philippine Center for Postharvest Development and Mechanization (PHilMech) continues to equip beneficiaries on the operation and management of rice processing systems (RPS) that are distributed at no cost under the Rice Competitiveness Enhancement Fund-Mechanization**

**Program.**

The latest of the training was held from March 19-22 at the PHilMech headquarters in Nueva Ecija.

A total of 31 participants from seven farmers' cooperatives and associations, and local government units in Isabela, Pangasinan, Tarlac, Nueva Ecija

and Pampanga attended the workshop to enhance their understanding of establishing a sustainable enterprise.

"Each participant learned about grain anatomy and quality standards, palay (unmilled rice) classification and procurement, principles

of drying and milling, warehouse management, QR-based tagging systems, selling and distribution, inventory management and the financial aspects," PHilMech said in a statement.

As part of the workshop, a "lakbay aral" (field study) to the Talabutab Norte Pri-

mary Multipurpose Cooperative in General Natividad, Nueva Ecija, was also organized. This allowed participants to learn about the cooperative's operational and management practices, and witness the actual operation of the cooperative's rice processing enterprise.

An RPS is a state-of-the-art drying and milling facility designed to reduce postharvest losses, increase farmers' income, improve milled rice quality and optimize rice mechanization. This allows organized farmers to enter the rice value chain.

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■ The Livestock Philippines and Aquaculture Philippines held in July 2023 featured more than 220 local and international companies. CONTRIBUTED PHOTO

## Livestock, aquaculture show kicks off in May

THE country's premiere trade event for the Philippine livestock, poultry and aquaculture industries will be held from May 22-24 at the World Trade Center in Pasay City.

With the theme "Harnessing Innovation and Technology for Sustainable Farm Development," this year's Livestock Philippines and Aquaculture Philippines aims to bridge the activities of public and private sectors, establish business opportunities for manufacturers and suppliers with potential distributors, partners and buyers, and create an environment of knowledge and expertise sharing.

"The livestock and aquaculture subsectors of the country's agriculture industry are pivotal growth drivers of the economy and a generator of jobs. And by bringing together the actors and stakeholders in those subsectors through Livestock Philippines

and Aquaculture Philippines, we can level up the production and efficiency of those subsectors to become major drivers of economic growth and poverty reduction," said Rungphech Chitanuwat, the country general manager of Informa Markets in the Philippines.

This year's Livestock Philippines and Aquaculture Philippines will feature at least 250 exhibitors and more than 10,000 visitors are expected to troop to the three-day event. Visitors from at least 30 countries are anticipated to attend the trade show, making it international in scope.

The Department of Agriculture (DA) is endorsing the trade show and efforts to highlight innovation and technology, crucial in assisting local farmers and fishers to enhance agricultural production cost-effectively, boost profitability and secure food sus-

tainability.

The organizers of Livestock Philippines and Aquaculture Philippines conducted provincial roadshows in Pampanga, Batangas and Cebu. These roadshows aim to engage with the community and bring together practitioners and stakeholders for an educational seminar that would be beneficial for all involved. The last leg of the roadshow in the aquaculture and swine sectors in Pampanga will be on May 8-9.

Livestock Philippines is also expected to host its first Asean Associations Roundtable involving industry associations, particularly for swine and poultry sectors from Cambodia, Indonesia, Malaysia, Myanmar, Thailand, Vietnam and the Philippines.

With the DA's support and endorsement, the roundtable discussion fosters a collaborative environment where industry in-

sights are shared, challenges are addressed, questions are raised and best practices are exchanged. Additionally, a specialized forum on biosecurity will be overseen by international speakers and attended by local industry professionals and stakeholders.

This year also marks the return of the Livestock Awards, recognizing and acknowledging the remarkable and substantial contributions made by select individuals, groups, associations, cooperatives or private companies to the development of the agriculture sector.

Another must-see show highlight is the nationwide launch of Bidang Egg Kids in the afternoon of May 22. This project, led by the Batangas Egg Producers Cooperative, private egg sectors and agricultural organizations, aims to combat protein malnutrition in Filipino children.

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## Corn model farm shows 26% yield increase

THE Department of Agriculture Region 1 (Ilocos Region) office, through its Corn Banner Program, exhibited a 50-hectare corn model farm during a field day at Luzong Sur village in Bangar town, La Union province, on April 4.

This event was organized by the DA Region 1 office in collaboration with the local government unit of Bangar, farmers and Bayer Crop Science.

The 50-Hectare Corn Model Farm is one of the two farm sites along with Cadapli village in Bangar that showcased the use of hybrid yellow corn.

The use of this corn variety has resulted in a 26-percent increase in yields compared to previous corn production levels in the area.

The DA Region 1 office recommended to farmers the use of the Nutrient Expert for Maize Philippines or NEMPh, a software for crop advisors that al-

lows fertilizer recommendation with the need to connect to the internet.

The utilization of NEMPh aims to increase the yield of corn to 1 metric ton per hectare and ensure efficient fertilizer management of corn.

During the field day, it was shown that although the yellow corn hybrid may cost more upfront, the yields of the model farm give more profits with a gross income of P134,475 or higher than the P120,120 per hectare for using other corn varieties.

The DA Region 1 office aims to continue improving Ilocos Region's corn production by giving way to programs such as model farms "to help farmer-beneficiaries in maximizing yield and minimizing loss."

The Ilocos Region is the second-top producer of corn in the Philippines.

**LEANDER C. DOMINGO**



■ A corn model farm in Luzong Sur village in Bangar town, La Union, got a 26-percent yield increase using a yellow corn hybrid. CONTRIBUTED PHOTO



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## Lower coconut oil production seen due to El Niño

THE El Niño weather disturbance will likely cause a decline in the Philippines' copra production and a reduce projected coconut oil exports in the 2024-2025 marketing year (MY), the United States Department of Agriculture (USDA) said.

In its latest report, the USDA said that copra crushing would decline by 15 percent, resulting in a 15-percent reduction in coconut oil supply and lower exports of the latter of 900,000 metric tons (MT).

"This year's El Niño will affect the growth of coconut flowers. Since coconut production takes one year, the impact of El Niño will be reflected in the MY 2024/25 harvest," the USDA report said.

Another factor that will lower coconut production is poor farm management as coconut farmers in the country are mostly smallholders who can only do minimal fertilization, constraining productivity.

"Coconut areas affected by dry conditions, dry spell and drought will result in low coconut production, which will affect coconut supply to oil mills located in these areas," it said.

The Philippine Coconut Authority (PCA) has said that coconut farms have not yet been significantly impacted by the El Niño but the effects of the weather disturbance will be felt 13 months after the droughts or dry spells.

The USDA said the decrease in coconut oil production would be offset by palm oil imports, which are forecast to increase by 5 percent to 940,000 MT during the year.

About 80 percent of the country's coconut is processed into copra, the feedstock for coconut oil mills.

The USDA also forecast that the area harvested for coconut would remain flat at 3.6 million hectares during the period. It said that planted area had increased in recent years, but harvested area remained the same as it takes four to five years from planting to make the first harvest.

The PCA has said that about 2.1 million coconut seedlings have

been planted nationwide and 8.5 million more are to be planted through a massive coconut planting and replanting project.

The Philippines is aiming to replant 100 million coconut trees by 2028.

Meanwhile, citing data from the United Coconut Association of the Philippines, the USDA said that about 80 percent of copra was crushed for coconut oil production.

Currently, there are 62 copra mills in the country with an annual capacity of 3 million MT of crude and refined oil, and 35,000 MT of virgin coconut oil for the domestic and export markets.

**JANINE ALEXIS MIGUEL**



# Gov't allows advance sugar reserves refining

By **Jordeene B. Lagare**  
@jordeenelagare

The Sugar Regulatory Administration (SRA) is allowing the refining of raw sugar reclassified as reserves to build the country's buffer stock ahead of another milling season.

In Memorandum Circular No. 6, the SRA outlined the guidelines on advance refining of reclassified raw sugar covered by Sugar Order (SO) No. 2 as it "had received requests for advance refining of their *quedans* from various applicants."

"The raw sugar [that] was enrolled will be kept as reserves for a maximum of 90 days, but the holders of the sugar are now allowed to have it refined..." SRA Administrator Pablo Luis Azcona said in a message.

"This needs to be done as milling is coming to an end and the refineries will stop running. So those who want it refined can now get it refined," Azcona said.

In the Philippines, the sugar crop season starts in September and ends in August of the following year.

According to the SRA directive, the Sugar Board "sees the imperative for advance refining of raw sugar" applicable to raw sugar *quedans* reclassified as "C" or reserved sugar under SO No. 2 issued in March.

The order outlines the guidelines for the first voluntary limited-volume purchase of local raw sugar wherein the SRA encourages sugar traders to buy sugar produce at premium prices in exchange for an assured slot in the government's importation programs in the future.

The latest SRA issuance will allow traders to gain operational advantages such as "achieving full refinery capacity utilization, availing of mill-provided amenities (steam, power and water) and timely provision for market

demand of refined sugar."

The memo said any request for advance refining must be subjected to SRA policy to ensure that sugar reserves are "not circumvented to the local market without prior authority from the SRA." Also, these reserves must be "physically available when their specific market/s so demand," it added.

The SRA said it would authorize advance refining when there is an appropriate notarized application to refine reserve sugar covered by SO No. 2, subject to the submission of requirements and compliance with its policies.

It would levy an advance refining fee of P5 per 50-kilogram bag for authorized or approved applications.

Applicants should submit relevant documents such as a duly-notarized letter of application for advance refining addressed to the SRA and sugar

*quedan* permits labeled as "authorized for advance refining."

It said refined sugar *quedans* should be issued to cover the equivalent refined sugar, indicating therein the production date and the date of issuance of such.

Reserve sugar refined in advance should be stored in the mill warehouse as a separate pile and should not be used for household consumption unless the SRA allows swapping their *quedan* permits from "C" (reserves) to "B" (for domestic use).

As of writing, mill-site prices of sugar stood at P2,750 per 50-kilo bag, based on the SRA data as of March 24, down 9.84 percent from P3,050.05 per 50-kg bag a year ago.

At the retail level, refined sugar ranged from P70 to P100 per kilogram as of April 5, lower than P85 to P110 per kg a year ago, according to government price monitoring. **INQ**



## SRA allows advanced refining of sugar to ensure supply

BY JED MACAPAGAL

THE Sugar Regulatory Administration (SRA) has issued a circular allowing the advance refining of raw sugar that were earlier classified as reserves through Sugar Order (SO) number 2 series of 2023-2024.

This will ensure sufficient stocks of refined sugar as refineries are nearing the close of operations for the current crop year.

Under Memorandum Circular number 6 series of 2023-2024, advance refining is authorized. Holders of reserve raw sugar under SO2 are told to submit notarized letters of application and stamped permits, among others for refining.

The circular assured that after refining, sugar supply in this latest

program will be strictly monitored and accounted for to ensure it is not diverted to the market prematurely to avoid dampening mill prices.

The circular added an advance refining fee of P5 per 50 kg bag (LKG) will be collected for authorized applications.

Meanwhile, a penalty of P100 per LKG will be slapped on those who will refine sugar without proper documentations for the first offense and P150 per LKG for second offense. Third time offenders will be fined as much as P200 per LKG and their licenses will be suspended or cancelled.

“Because of SO2, farmers are getting P2,800 per bag which is fair. The raw sugar which was enrolled will be kept as reserved

for a maximum of 90 days but the holders of the sugar are now allowed to have it refined, but it will be kept as reserved,” said Pablo Azcona, SRA administrator.

“This needs to be done as milling is coming an end and the refineries will stop running. So, those who want their sugar refined can now get it refined,” Azcona added.

SO2 which was issued by the SRA last month, allowed stakeholders to voluntarily purchase a total of 300,000 metric tons of locally produced raw sugar to be turned into reserve stocks.

In turn, those who have purchased local raw sugar for reserves will be given priority in future government programs on sugar

.....  
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From reserves. Advance refining of sugar is allowed as refineries are nearing the close of their operations. (SRA Photo)

### SRA

importation.

SRA said SO2 was necessary to increase the local mill gate prices of sugar above production cost.

Based on Department of Ag-

riculture's monitoring of public markets in the National Capital Region, prevailing retail price as of last Monday ranged from P75 to P100 per kg for refined sugar, P64

to P90 per kg for washed sugar and P63 to P90 per kg for brown sugar.

SRA millsite monitoring showed composite price of raw sugar as of March 24 was at P2,750 per LKG.



## Old sunken town in Pantabangan reappears due to El Niño

By Steve Gosuico

**PANTABANGAN, Nueva Ecija** –The old town of Pantabangan which was submerged in the 1970s to give way to the construction of a dam reappeared due to the prolonged dry spell brought about by El Niño.

The ruins of the old town hall and the old Catholic Church resurfaced, attracting attention from locals, including tourists.

The weather phenomenon offered former residents opportunity to revisit the old town site and reminisce about the old times when three-fourths of the town or 8,100 hectares of land was submerged by the dam's reservoir.

"It was in 2020 na last time lumitaw ang old town, after four years dahil sa El Niño, expected na iyon. At madami



**Drone shot of the old Pantabangan town which resurfaces due to prolonged dry spell.**

daw nagpupunta dun ngayon, nagpicture-picture," engineer Gertrudes A. Viado, National Irrigation Administration-Upper Pampanga River Integrated Irrigation System (NIA-UPRIS) department manager, told the Journal Group.

She said the ruins of the old town re-emerged after water levels at the dam dropped to 174.57 meters as of yesterday.

"Hanggang hindi

umuulan, palalim nang palalim ang water table," said Viado, noting that the water elevation is nearing the dam's critical level for irrigation at 171 meters and 177 meters for power generation.

To address the situation, Viado said plans are now afoot to conduct cloud-seeding operations to remedy the critical level at the dam and boost its water reserves in the absence of rains.

She said an initial funding worth P4.9 million allocated for cloud-seeding operations from the Department of Agriculture's Bureau of Soils and Water Management is slated for release for the scheduled operation in May.

Meanwhile, Mayor Roberto T. Agdipa said the reappearance of the old town site due to El Niño signifies hope, inspiration, and sacrifice

for the people of Pantabangan.

He said the old town's former residents sacrificed their properties to give way to the dam's construction back in 1973.

"Pinalubog itong lumang bayan natin dahil sa magandang layunin ng ating national government na makapagtayo ng dam na makapag-irrigate ng palayan natin sa lalawigan at karatig-bayan at makapagbigay ng hanapbuhay sa ating mamamayan," said Agdipa.

Emisonia Gante, municipal tourism officer, said the local government has declared the old town site as a "Heritage Zone" and its application for declaration as a "Cultural Property" has already been submitted to the National Commission for Culture and the Arts.



## Speedy aid for farmers hit by El Niño pushed

**SENATOR Sherwin Gatchalian urged the government to fast-track financial support for farmers adversely affected by the onslaught of the El Niño phenomenon which the state weather bureau forecasted could reach its peak this month.**

Citing data provided by the National Disaster Risk Reduction and Management Council (NDRRMC), the Task Force El Niño said the dry spell has affected more than fifty thousand farmers, mostly rice farmers.

Data also showed that the country's estimated cost of agricultural damage because of El Niño has reached P2.63 billion to date and drove almost 20 local government units to declare states of calamities in their respective areas.

"The disruption of El Niño on the agriculture sector could be devastating to the economy and to our farmers as we have seen in previous El Niño episodes and thus the need for a timely release of fund support for farmers in areas affected by

El Niño," the lawmaker emphasized.

"It is important that we have funds to provide the necessary support to protect our farmers' investments and to revive their crops. We have to be ready to aid our agriculture sector, especially the rice sector, to guarantee the availability and supply of agricultural products," Gatchalian said.

"We might have a shortage

of rice because of the intense heat. And the Department of Agriculture should take a good look at our rice supply now and in the next 6 months. And if we have no choice, it is important that we have access to imported rice from Vietnam, India, or other countries," he added.

The principal agencies that are part of the Task Force El Niño have their regular budgets and the quick response

fund. If these fall short, the budget can be sourced through other avenues through the appropriate process as long as it is approved by the Department of Budget and Management (DBM).

"Let's take action on the problem. Because if this El Niño worsens, many things will be affected such as electricity, food, and livelihood," he concluded. *Camille P. Balagtas*



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## Gatchalian urges gov't to release more El Niño funds

By Macon Ramos-Araneta

SENATOR Sherwin Gatchalian is calling for immediate assistance for farmers, citing the ongoing disruption of the El Niño weather phenomenon on the country's agriculture sector.

"It is important that we have funds to provide the necessary support to protect our farmers' investments and to revive their crops," he said, citing the need for a timely release of such funds.

The senator further said: "We have to be ready to aid our agriculture sector, especially the rice sector, to guarantee the availability and supply of agricultural products."

He further said the government should expedite financial support for farmers adversely affected by the onslaught of the El Niño phenomenon.

Gatchalian said the state weather bureau earlier reported that El Niño will further intensify and could reach its peak this month.

He also cited data from the National Disaster Risk Reduction and Management Council (NDRRMC) and Task Force El Niño, which said the dry spell has affected more than 50,000 farmers, mostly rice farmers.

Data also shows that the country's estimated cost of agricultural damage because of El Niño has reached P2.63 billion to date and drove almost 20 local government units to declare states of calamities in their respective areas.





## PHL, Malaysia to elevate agriculture industries

By RODERICK L. ABAD

**T**HE Philippines, through a private sector-led initiative, will work closely with Malaysia to further strengthen the agriculture sectors between the two Southeast Asian countries.

The upcoming collaboration is all set with the scheduled trade visit of local agriculture companies to their Malaysian counterparts on April 23 and 24.

Their agenda includes the sharing of best practices and the creation of commercial values in agricultural commodities for both Asean member-states.

Targeted commodities include palm oil, rubber, rice, dairy, poultry, pineapple, durian, banana, coconut, and corn.

A meeting organized by proponents of the "*Kapatid Angat Lahat sa Agri Program (KALAP)*" led by Asean Business Advisory Council (BAC) Philippines chair and Go Negosyo founder Joey Concepcion discussed details of the planned activity.

Some of the country's major agriculture firms that participated in the gathering were Universal Leaf Philippines, Yovel East Agriventures, Lionheart Farms, and Iba Botanicals, as well as commodity players represented by Philippine Rice Industry Stakeholders Movement, the Philippine Rubber Industry Council,

and the United Laboratories Veterinary Nutrition & Animal Healthcare Company-Philippine Association of Feed Millers.

Discussions were led by Go Negosyo senior advisers Josephine Romero and former Department of Agriculture chief Dr. William Dar. Executive Director Gil Gonzales represented the Asean BAC.

The upcoming trade mission will succeed last year's forging of a memorandum of understanding (MOU) between the Asean BAC Philippines and Asean BAC Malaysia, where both nations agreed to engage in promoting trade, investment, and other development partnerships in agriculture.

Meetings will be held via the latter's B2B Connect Initiative (BCI) led by Malaysia's former trade minister Dato' Sri Mustapa Mohamed. These will involve industry leaders from both public and private sectors who will study projects that be undertaken under the MOU.

Other areas likely to be explored are agarwood-inoculation technologies, as well as the possibility of streamlining global and domestic testing compliances.

The meeting of ABAC Philippines with the Malaysian private sector is expected to pave the way for similar activities with other signatories of the MOU, such as Indonesia, Singapore, Cambodia, Myanmar, Brunei, Lao PDR, and Thailand.



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## 'Tweaks to rules allowed banks to hike lending to farm sector'

BY CAI U. ORDINARIO  
X@caiordinario

**B**ANK loans extended to the agriculture sector quadrupled after the government modified the implementing rules and regulations of the Agri-Agra law, according to a member of the Monetary Board.

At the Asian Development Bank (ADB) Asia and the Pacific Food Security Forum last Tuesday, Monetary Board Member V. Bruce J. Tolentino said extending loans to other participants in the agricultural value chain increased agriculture financing.

Initially, regulations only allowed the 25 percent of a bank's loanable funds to be spent on production activities. However, this proved difficult as farmers are regarded as risky borrowers.

"If you broaden the quota so that it lends to the entire value chain, so that you're lending not only to farmers, but you're lending to processors and transporters and mills and warehouse owners, the entire value chain,

then you're better able to finance the agricultural sector," Tolentino said.

"Also broaden it so that not only production is supported, but also processing, drying, transport, and other types of activities that you find in the rural area. Then you're able to enable the banks to lend to a much broader swath of players in the countryside."

This was the reform that was needed to boost agriculture financing by banks and significantly reduce the amount of penalties remitted by banks, according to Tolentino.

Prior to the amendment of the law, he said banks could extend loans to the agriculture sector for production purposes only. The law provides that 25 percent of the loanable funds of banks should be extended to the farm sector.

However, the risk of lending to farmers directly was high, higher than the penalty for not extending loans. This prompted the banks to just pay the fines to the Bangko Sentral ng Pilipinas (BSP) than lend to farmers.

"We've had the reform for one year,

and in that year, loans to farmers and agriculture have quadrupled. And the penalties paid by the banks to the central bank have been cut down by six times," Tolentino said.

"So reforms to enable the private sector to act according to their best interest, and for government to provide the public goods necessary so that the private sector can do its best, are crucial."

The BSP had said the proposed amendments to the Agri-Agra bill will enhance the industry's ability to get credit from banks and financial institutions.

The House of Representatives approved its version (House Bill 6134) on third and final reading on March 10, 2020, while the Senate approved its version (Senate Bill 2494) on February 2, 2022.

In mid-2021, the BSP said it wants to include sustainable financing—or extending so-called "green loans" to corporations—as part of the proposed revisions to the mandated lending to the agriculture sector.



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# PHL palm oil imports seen rising on tourism recovery

**T**HE Philippines will purchase more imported palm oil this year due to the rebound of the tourism and foodservice sectors, according to a report from the Foreign Agricultural Service (FAS) of the United States Department of Agriculture in Manila.

FAS Manila said palm oil imports in marketing year (MY) 2024/2025 will go up by 5 percent to 940,000 metric tons (MT), from the previous marketing year's 895,000 MT.

"The expected recovery of the food service and tourism sectors will increase food demand, which translates to an increase in demand for palm oil consumption among these sectors," the report read.

FAS Manila said the expansion of shopping malls and hypermarket chains supports the continued growth of fast-food restaurants, which spur the demand for palm oil.

Palm oil is the most consumed oil in the country. It is widely used as cooking oil in the foodservice sector, particularly in fast-food restaurants.

It is also used for consumer products like soap, cosmetics, and medical products. FAS Manila said it expects industrial consumption to rise by 4 percent to address the increasing demand from these industries.

"The expected decline in coconut oil production will also result [in] a shift [to] palm oil use. Palm oil is a direct substitute for coconut oil among



HIGH-QUALITY yield oil palm fruits. GOH SENG CHONG/BLOOMBERG

household consumers."

FAS Manila said palm oil replaced coconut oil in domestic consumption due to wide price discounts of palm oil versus coconut oil. In recent months, however, palm oil prices were sold at the same level as coconut oil at the retail markets.

"Filipino consumers still prefer coconut oil as long as prices remain stable. Price is the deciding factor among consumers," the report read.

FAS Manila noted that the Philippines is a net importer of refined palm oil and a net exporter of crude palm oil. Imports were mostly from Malaysia and Indonesia while exports destinations are India, Malaysia, Portugal, Singapore, and China.

As for domestic production of palm oil, FAS Manila said it projects output

to remain flat in MY 2024/2025. While there are expansion areas, harvesting takes place four to five years from planting.

Oil palm plantations are located in Palawan, Bohol, and Mindanao—Agusan del Sur, Bukidnon, Cotabato, and Sultan Kudarat.

In 2023, FAS Manila noted that the total area planted for oil palm was around 65,000 hectares. The average yield was estimated at 8.4 MT of fresh fruit bunch (FFB) per hectare.

The Philippines has 10 mills with total rated capacity of 276 MT FFB per hour. There are only two existing palm oil refineries with a total capacity of 15 MT per hour.

"While there is huge domestic demand, the two refineries can only cover around 5 percent of needed supply."



## Sarisuki, Super8 team up to sell cheaper veggies

**A**GRI-TECH startup Sarisuki and retail grocery Super8 teamed up to offer Filipino consumers cheaper fresh produce.

The two companies will sell produce that are priced 40 percent lower than prevailing supermarket prices in the country.

The partnership will use Sarisuki's vertically integrated supply chain, while Super8 will maximize its market access in the country.

"Our goal is to create a seamless agricultural highway, connecting our vertically integrated supply chain to an omni-channel demand network, an approach that allows us to provide fresh produce to Super8 stores at a lower price," Sarisuki Co-Founder and CEO Brian Cu said in a statement.

Sarisuki noted that fresh produce prices in the Philippines are significantly higher than in neighboring countries like Thailand, where tomatoes cost 15 percent less per kilogram than local prices.

Several factors, including supply chain issues and heavy dependence on food imports have fueled the price increase in the retail market, placing a heavy burden on consumers' wallets, according to the company.

Super8 CEO Alvin Lim expressed enthusiasm for the partnership, emphasizing its added value to existing and potential customers.

"We are honored to partner with Sarisuki to enhance our customers' shopping experience by offering a comprehensive selection of high-quality, affordable fresh produce.

We expect this to help our goal of solidifying our position as the go-to shopping destination for essential goods," Lim said.

Sarisuki said its supply chain approach minimizes costs by cutting middlemen traders and expedites external production by directly sourcing from local farmers through their nine buying stations in provinces like Benguet, Nueva Ecija, Nueva Vizcaya, Batangas, Laguna, Cavite, Tarlac, Pangasinan, and Quezon. This approach not only increases farmers' income but ensures a reliable demand for their products.

To maintain the freshness of the produce, Sarisuki employs various stringent post-harvest practices in its facilities. "This includes meticulous cleaning, proper sorting and culling, ensuring optimal storage conditions to keep the products cool, and securely packaged."

Currently, shoppers can enjoy purchasing Sarisuki's fresh produce, conveniently available at 30 Super8 stores including those in Bulacan, Baesa, Antipolo, and Laguna. However, expansion plans are underway, augmenting access with more Super8 stores in Molino, GMA Cavite, Novaliches, and Las Piñas.

Sarisuki Chief Commercial Officer and Co-Founder Bam Mejia said the company is committed to "transforming the agricultural industry."

"Our goal is to bridge the gap between market and consumers by providing innovative solutions that will create a positive impact. Through this collaboration, we hope to bring Super8's shoppers the convenience of buying fresh produce in supermarkets without the need to endure the pain of overpriced farm goods."



POST-CREDIT REFORMS

# Loans to agri sector 'quadrupled' in 2023

By JASPER EMMANUEL ARCALAS

**The banking sector's loan disbursements to the agriculture sector quadrupled last year after the government widened the number of projects considered as compliant with the 25 percent requirement, a member of the central bank's Monetary Board said.**

MB member Bruce Tolentino said the reforms made to the state's rules on loans extended to the agriculture sector, through Republic Act 11901 or the Agriculture, Fisheries and Rural Development Financing Enhancement Act of 2022, are now generating results for the country, especially in the banking system.

The latest law repealed RA 10000 or the Agri-Agra Law, paving the way for a broader base of projects

considered compliant with the mandated 25 percent quota that banks must lend to the agriculture sector.

It made the credit quota more inclusive to the entire agricultural value chain by abolishing the mandated two-tier allocation between the entire agriculture sector and agrarian reform beneficiaries.

"We've had the reform for one year, and in that year, loans to farmers and agriculture have qua-

drupled," Tolentino said in a recent food security forum hosted by the Asian Development Bank.

"And the penalties paid by the banks to the central bank have been cut down by six times," said Tolentino, who was the founding executive director of the Agricultural Credit Policy Council.

Prior to RA 11901, Tolentino said, the banks opted to pay the penalties since it was "cheaper" than lending to the farmers.

He pointed out that lending to the agriculture sector is better done through an entire value chain approach instead of just being limited or targeted to farmers.

According to Tolentino, lending through other parts of the value chain that are more familiar with the inner workings of the sector will facilitate greater loan impact.

He cited the case of the rice value chain, wherein rice mills are considered to be a "local monopoly" since they are well aware of their industry situation and have better relationships with farmers than the banks.

"If you broaden the quota so that it lends to the entire value chain, so that you're lending not only to farmers but you're lending to processors and transporters and mills and warehouse owners, then you're better able to finance the agricultural sector,"

Tolentino said.

"Also broaden it so that not only production is supported, but also processing, drying, transport and other types of activities that you find in the rural area. Then you're able to enable the banks to lend to a much broader swath of players in the countryside," he added.

The Bangko Sentral ng Pilipinas has yet to release the full-year 2023 figures on the agricultural loans compliant with RA 11901.

Latest data available covered the first half of 2022, showing total loans to the agriculture and agrarian reform sectors growing by 11.1 percent to P847.95 billion on an annual basis.

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## Importation of palm oil, soybean meal seen rising

THE United States Department of Agriculture (USDA) said soybean meal imports in the Philippines are expected to increase due to growing demand for animal feeds while coconut oil production will likely decrease due to El Niño.

The agency said with the expected decrease in coconut oil production, importation of palm oil will increase.

A report released by the USDA through the Foreign Agricultural Service on Monday showed the Philippines' soybean meal imports for market year 2024-2025 will reach 3.2 million metric tons (MT), a 4 percent increase from 3.03 million MT in the previous market year.

Soybean meal is mainly used for animal and aquaculture feeds with a small portion used for curd production.

Increased demand for soybean meal is traced to the growing requirement of the animal feeds industry.

Soybean meal is the main protein source of livestock and aqua feeds formulations, accounting for 15 to 40 percent share of total raw material components.

The USDA report said copra crushing in the Philippines is set to decline by 15 percent this year which will also result in a 15-percent reduction in coconut oil supply to 1.57 million MT from 1.85 million MT.

Because of lower production, the Philippines' coconut oil exports will also drop to 900,000 MT, or by 21 percent, from last year's 1.14 million MT, attributed to low coconut supply.

The Philippines is the top producer and exporter of coconut oil which is a key ingredient in food, cosmetics, cleaning and medical products.

About 75 percent of coconut oil produced locally is exported.

The report said because of lower coconut oil production, palm oil imports will increase by 5 percent to 940,000 MT from

.....  
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## IMPORTATION

895,000 MT.

Palm oil is used for food processing, mainly for cooking oil, margarine, shortening and non-

dairy creamer. It is also used in consumer products like soap, cosmetics and medical products.

The report said palm oil is pre-

ferred over other vegetable oils as it is cheaper, more durable and more resistant to pressure and high temperature. *-Jed Macapagal*



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## Reducing rice imports to require larger farms, more mechanization

LARGER farm sizes and mechanization will help reduce dependence on rice imports, an economist said at an Asian Development Bank (ADB) forum on Wednesday.

“(The) Philippines has been increasing imports of rice. Indonesia has a problem of high production costs of rice, so they restrict imports. That is going to continue, unless we expand farm size, facilitate mechanization, and facilitate labor saving technology,” Keiji Otsura, a development economics professor at the Kobe University Graduate School of Economics, said at the ADB’s Food Security Forum.

Milled rice imports to the Philippines totaled 886,963.11 metric tons (MT) as of March, running ahead of the pace for imports in the first quarter of 2023.

El Niño is expected to weigh on rice production this year. The US Department of Agriculture forecasts that Philippine rice imports could hit up to 4 million MT this year.

Food security experts also noted the importance of extending financing to small-scale farmers and food producers, who supply 80% of the Asia-Pacific region’s food, according to the United Nations Food and Agriculture Organization.

Paul Winters, executive director of the Innovation Com-

mission for Climate Change, Food Security, and Agriculture at the University of Chicago, noted that around 2-3% of climate financing goes to small-scale farmers, who are deemed most vulnerable to climate change impacts.

“We need to explore opportunities, not just working with governments, but working directly with farm cooperatives, farm organizations, and direct funding (to increase small-scale farmers’ allocations),” he told the forum.

Jyotsna Puri, associate vice-president of the International Food for Agricultural Development, said inputs from small-scale farmers are essential, as they are “more likely to be incorporating biodiverse methods, agro-ecology, agro-forestry.”

Meanwhile, André Zandstra, global director for Innovative Finance & Resource Mobilization at the Consortium of International Agricultural Research Centers, noted that financial institutions should be more precise in their agendas for agricultural and food systems funding.

“Obviously, there’s been a very clear interest and importance in agriculture and food systems... but it’s also creating competition and fragmentation that we need to resist,” he said. — **Beatriz Marie D. Cruz**



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## Gov't must roll out 'credit-worthy' projects to boost banks' agri loans

THE GOVERNMENT needs to roll out more "credit-worthy" projects for the agriculture sector to encourage banks to fund food security and agricultural development initiatives, a member of the central bank's policy-setting Monetary Board said.

"The banks want to lend money. The problem is they're having a hard time finding credit-worthy projects... The public goods that are necessary to create and maintain credit-worthy projects are not there," Monetary Board member V. Bruce J. Tolentino said in a panel discussion at the Asian Development Bank's (ADB) Food Security Forum on Tuesday.

Banks are careful about lending to fund the government's agriculture-related programs due to insufficient public support services, Mr. Tolentino said.

"There are not too many agriculture projects that are demonstrably credit-worthy because of inadequacies in basics: transport, power, land tenure, seeds...," he said in a separate Viber message.

Under Republic Act (RA) No. 11901 or the Agriculture, Fisheries and Rural Development Financing Enhancement Act of 2022, banks must allocate 25% of their total loanable funds for the agricultural and fisheries sectors.

Loans, S2/3

### Loans,

from S2/1

Banks can comply by lending to rural community beneficiaries, including agrarian reform beneficiaries, to finance projects in these sectors, including lending to parts of the agricultural value chain and agri-business enterprises, as well as engaging in sustainable finance.

The law repealed RA 10000 or the Agri-Agra Credit Reform Act of 2009, which required banks to lend 10% to the agrarian reform sector and 15% to the agriculture sector.

Including parts of the agricultural value chain like processors, transporters, mills and warehouse owners, allows banks to finance the development of the sector, Mr. Tolentino said.

"You're able to enable the banks to lend to a much broader swathe of players in the countryside," he said.

Since the enactment of RA 11901, less banks are paying penalties for noncompliance with the credit quota as loans to the agriculture sector quadrupled over the past year, Mr. Tolentino noted.

Latest data on banks' loans to the agriculture sector was not immediately available.

"Reforms to enable the private sector to act according to their best interest, and for government to provide the public goods [are] necessary so that the private sector can act according to their best interest," Mr. Tolentino said.

In the 2021 Countryside Bank Survey conducted by the Bangko Sentral ng Pilipinas and the Department of Agriculture, 76% of bank branches said they plan to expand lending to the agriculture sector. — **B.M.D. Cruz**





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## **Aid El Niño-hit farmers — senator**

A PHILIPPINE senator on Wednesday urged the government to fast-track financial support for farmers whose livelihoods are suffering from the El Niño weather phenomenon.

“It is important that we have funds to provide the necessary support to protect our farmers’ investments and to revive their crops,” Senator Sherwin T. Gatchalian said in a statement. “We have to be ready to aid our agriculture sector, especially the rice sector, to guarantee the availability and supply of agricultural products.”

Meanwhile, Senator Maria Imelda “Imee” R. Marcos filed on Monday a resolution seeking to probe the adverse effects of dry spells and drought on the country’s water supply, despite state efforts to conserve water.

“Despite the various efforts and initiatives being conducted by the government and the increase in water rates, the entire country is still experiencing strained water resources and water crisis in various regions and provinces,” according to a copy of Senate Resolution No. 986 sent on Wednesday. — **John Victor D. Ordoñez**



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### **Higit P267-M napinsala sa agri dulot ng tagtuyot sa Albay**

**LEGAZPI CITY, Albay** - Umabot na sa P267,390,512 ang pinsala sa agrikultura dahil sa nararanasang matinding init ng panahon sa lalawigan ito matapos na anim na bayan ang nagsumite ng report sa Albay Provincial Agricultural Office (APAO).

Ayon sa tala na hawak ni APAO assistant

provincial agriculturist Daryl John Buenconsejo, ang damaged cost na karamihan sa palayan ay nagmula sa Ligao City at mga bayan ng Camalig, Polangui, Libon, Oas at ang Pio Duran na pinakanaapektuhan ng tagtuyot.

Ayon sa lokal na pamahalaan ng Pio Duran, simula pa noong Nobyembre ng nakaraang taon ay hindi na sila nakaranas ng ulan kaya't apektado hindi lang ang kanilang agrikultura kundi ang pinagkukunan ng tubig inumin sa maraming barangay ng bayan.

Inihayag na ang total area na nataniman ng palay ay nasa 29,805 ektarya at ang nagkaroon ng malaking pinsala ay nasa 3,153 ektarya kung saan nasa 4,620 na magsasaka ang apektado at nalugi.

Patuloy na naglilibot ang mga tauhan ng APAO upang i-validate pa ang

mga taniman na nasira habang siniguro ng lokal na pamahalaan sa pangunguna ni Gov. Edcel Greco "Grex" Lagman na may mgatulong at interventions silang ibibigay sa mga apektadong magsasaka.

Samantala, sinabi ni Provincial Safety and Emergency Management Office head Cedric Daep, na sa kabila ng danyos sa sakahan ay hindi kasama ang Albay sa idineklara ng PAGASA sa mga lugar na tinamaan ng El Niño phenomenon dahil sa nakararanas pa ng kaunting mga pag-ulan ang ilang bayan. Puwede lang umanong maikonsidera ang "El Niño" kung limang buwang walang pag-ulan sa isang lugar; "dry spell" naman kung 3-buwang walang ulan at "below normal" kung 2-buwan na hindi nakaranas ng ulan. (Jorge Hallare)



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## Wheat under pressure

SINGAPORE- Chicago wheat edged lower on Wednesday, falling for a third straight session, weighed down by expectations of bumper supplies from the northern hemisphere later this year.

Soybeans rose for the first time in three sessions, while corn also firmed.

"Wheat crops are looking better in Russia and US," a Singapore-based trader said. "With good supply prospects, millers are not rushing to buy wheat, so the demand is a bit weak."

The most-active wheat contract

on the Chicago Board of Trade (CBOT) was down 0.1 percent at \$5.57-1/4 a bushel, after dropping 1.4 percent on Tuesday.

Soybeans rose 0.5 percent to \$11.80 a bushel, and corn gained \$0.4 percent at \$4.32-3/4 a bushel.

Commodity analysis firm Argus has raised its forecast for Russian wheat production this year to 92.1 million metric tons, with an increased estimate for the winter wheat area outweighing less favorable prospects for spring wheat planting and yields. - *Reuters*



## Arabica coffee trades near 18-mo high as cocoa frenzy spreads

**A**RABICA futures traded near their highest level since October 2022 as hedge funds exiting the cocoa market are now piling into coffee.

Money managers increased their bullish bets to the highest on record in the weekend of April 2, according to the latest Commodity Futures Trading Commission data. At the same time, investors have reduced bullish bets in cocoa after a record-breaking rally that saw prices more than double this year.

"We are currently looking at possibly the largest net speculative position in coffee futures in history without a significant story to merit its existence; outside of cocoa market is crazy," said Ilya Byzov, a coffee trader at Sucafina. "However, once the spigot gets turned on, it takes time for speculative interest to stop and reverse."

Investors' optimism over arabica is also supported by technical factors, said Marcelo

Moreira, who follows coffee markets for Archer Consulting. The last time futures hit as high as they are now, in 2022, the rally only stopped after a peak at \$2.4 per pound. "That means there's no short-term resistance," he said.

The recent jump in arabica futures has helped to widen a premium the contract commands over the cheaper robusta bean. Even so, the spread between the two varieties remains historically low, meaning roasters are likely to replace robusta for arabica in their blends.

### Wheat extends losses

WHEAT extended losses as concerns over adequate supply and soft demand offset hostilities in the Black Sea region.

Futures in Chicago fell for a second session after rallying to the highest level in more than a month last week. Ongoing

issues with Russian export shipments have failed to support prices, analysts at Milwaukee-based Brock Associates Inc. wrote in a note.

The condition of the US winter wheat crop is slightly better than expected and vastly improved on last year, according to a progress report from the US Department of Agriculture.

"It's hard to move away from the fact that large supplies are going to come online mid-year," said Dennis Voznesenski, associate director of sustainable and agricultural economics at Commonwealth Bank of Australia. "Lackluster demand is also a constant issue the market is dealing with."

The crop progress served as a fresh reminder that the 2023/24 US winter wheat crop is in relatively good shape, Jacqueline Holland, an analyst at Farm Futures, said in a note. **Bloomberg News**