



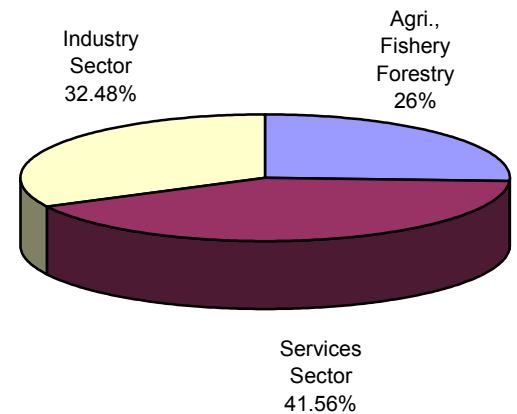
Davao Region's economy accelerated by 6.7 percent in 2007

Davao Region's economy showed an impressive performance as it posted a 6.7 percent growth in 2007. The region's growth from 4.3 percent in 2006 was primarily due to the remarkable increase in industry sector.

AFF, which accounted for 25.96 percent of the region's economy, slowed down to a 2.1 percent growth in 2007 from 3.0 percent in 2006. This was affected by the decelerated growth in corn and banana production and a decline in palay and poultry production.

The industry sector, which comprised 32.48 percent of the region's economy, expanded from 2.8 percent in 2006 to an impressive 11.9 percent in 2007. This was brought about by the recovery of mining and quarrying and electricity and water subsectors and the improvements in manufacturing and construction subsectors. Mining and quarrying rebounded to 9.7 percent in 2007 from a negative 20.5 percent in 2006. The impressive performance of the sector was attributed to the increased gold production, which accounted for the bulk of the region's total mining industry. Manufacturing inched up slightly to 5.8 percent from 5.4 percent the previous year due to the minimal growth in the region's food manufacturing sector. Construction accelerated from 11.5 percent in 2006 to an impressive growth of 29.1 percent in 2007. Electricity and water turned around from a negative 0.6 percent growth in 2006 to a 5.0 percent growth in 2007 brought about by the increased sales of electricity and good performance of water subsector.

Gross Regional Domestic Product, Region XI, By Industrial Origin, 2007
Percent Distribution, at Constant Prices



The services sector, with a 41.56 percent share of the region's economy, decelerated from 6.4 percent in 2006 to 5.9 percent in 2007. This was due to the slowdowns in trade, government services and ownership of dwelling and real estate (ODRE) sectors with a minimal growth in finance. TCS slightly grew by 5.6 percent in 2007 from 5.0 percent in 2006. This was brought about by the sluggish performance of land and water transports. Trade decelerated from 6.7 percent in 2006 to 5.9 percent in 2007 mainly because of the slower growth in retail trade. Finance slightly grew by 9.5 percent in 2007 from 9.3 percent in 2006 due to minimal growth in banks and non-banks revenues. Private services posted an accelerated growth of 8.7 percent in 2007 from 4.9 percent in 2006 due to the increase in medical, business and recreational subsectors. ODRE recorded a slower growth of 4.6 percent in 2007 from 10.0 percent 2006 as a result of lower growth in real estate activities. Government services slowed down from 2.5 percent in 2006 to 2.2 percent growth in 2007.

GROSS REGIONAL DOMESTIC PRODUCT, By Industrial Origin Region XI, Davao Region In Thousand Pesos, At Constant Prices

INDUSTRY	2006	2007	Growth Rates (%)	
			05-06	06-07
AGRI., FISHERY, FORESTRY	15,708,794	16,032,590	3.0	2.1
Agri., & Fishery	15,649,546	15,989,267	3.2	2.2
Forestry	59,248	43,323	-30.6	-26.9
INDUSTRY SECTOR	17,920,817	20,058,687	2.8	11.9
Mining and Quarrying	2,087,006	2,287,358	-20.5	9.6
Manufacturing	11,131,197	11,771,354	5.4	5.8
Construction	4,412,468	5,695,446	11.5	29.1
Electricity & Water	290,145	304,528	-0.6	5.0
SERVICES SECTOR	24,233,481	25,665,228	6.4	5.9
Transport, Comm., Storage	2,835,748	2,995,174	5.0	5.6
Trade	13,068,111	13,840,129	6.7	5.9
Finance	860,570	942,324	9.3	9.5
O. Dwellings & Real Estate	2,860,041	2,990,603	10.0	4.6
Private Services	2,862,552	3,111,351	4.9	8.7
Government Services	1,746,458	1,785,647	2.5	2.2
GROSS DOMESTIC PRODUCT	57,863,091	61,756,506	5.3	6.7

Source:

National Statistical Coordination Board