



Hog, Dairy, Chicken Output Up in Q2

Production of hogs, dairy, chicken, and chicken eggs all increased in the second quarter of 2026, according to data released by the Philippine Statistics Authority (PSA). Hog production rose 5.6% to 412,280 tonnes liveweight from 390,490 tonnes in the same period last year. Dairy output climbed 37.8% to 13,580 tonnes. Chicken production grew 4.1% to a record 586,180 tonnes liveweight, the highest second-quarter volume since 1997, while chicken egg production expanded 13.2% to 235,150 tonnes.

Despite higher output across all sectors, farmgate prices fell sharply for hogs (-18.6%), broiler chicken (-8.1%) and chicken eggs (-7.9%). Dairy was the sole exception, with farmgate prices rising 5.8%. Hog inventories declined 1% to 8.93 million head, while chicken inventories climbed 7.4% to 228.49 million birds.

August at a Glance

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Philippines mulls flat 5% corn tariff to cut feed, meat costs

Philippine aquaculture output falls 4.8% in Q2

Philippine Pork Belly Prices Extend Decline to 16-Month Low in August

Philippine Whole Chicken Prices Retreat in August After 14-Month High

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Key Numbers

- Hog production: 412,280 MT, +5.6% YoY; farmgate price: PHP172.44/kg, -18.6% YoY.
- Dairy production: 13,580 MT, +37.8% YoY; farmgate price: PHP70.16/litre, +5.8% YoY.
- Chicken production: 586,180 MT, +4.1% YoY (record Q2); farmgate price: PHP116.38/kg, -8.1% YoY.
- Egg production: 235,150 MT, +13.2% YoY; farmgate price: PHP6.30/piece, -7.9% YoY.
- Hog inventory: 8.93 million head (-1%); chicken inventory: 228.49 million birds (+7.4%); dairy animal inventory: 165,860 head, +6.6% YoY



AAC View

The Q2 data reveals a sector producing more but earning less. Hog output rose despite herd shrinkage, pointing to faster turnover rather than expansion—but prices plunged 18.6% below year-ago levels, eroding margins. Poultry hit record output, yet broiler and egg prices fell on oversupply. Central Luzon and Calabarzon dominate chicken and egg production. Dairy stands out as the sole bright spot with both volume and price gains, though from a small base. The supply-driven market suggests continued margin pressure until demand catches up or capacity exits accelerate.

Business Implications

- Hog producers: Rising output and falling prices squeeze margins; cost discipline and biosecurity are critical.
- Poultry producers: Record output and falling prices signal overcapacity; avoid expansion, focus on efficiency.
- Egg producers: Laying flock expansion (80.53 million birds) may have overshot demand; monitor inventory.
- Dairy farmers: Volume and price growth make dairy the bright spot; investment in herd expansion is well-timed.

Source: Manila Times, 22nd, August 2026

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Philippines mulls flat 5% corn tariff to cut feed, meat costs



The Philippines' Tariff Commission held a public consultation on 5 August 2026 on a petition to replace the current corn MAV quota system (5% in-quota, 15% out-of-quota) with a uniform 5% tariff on all corn imports. The Foundation for Economic Freedom, which filed the petition, estimates the policy would generate PHP 17.2 billion in net economic gains by lowering feed costs—corn makes up 65% of feed formulations and feed accounts for nearly 70% of poultry and swine production costs. Agriculture Undersecretary Asis Perez contested the projections, arguing that unilateral tariff cuts have not proven effective and that negotiated trade arrangements are preferable.

Key Numbers

- Current system: 5% tariff up to 216,940-tonne MAV quota; 15% out-of-quota.
- Proposed reform: uniform 5% on all corn imports.
- Net projected gain: PHP 17.2 billion (consumer gains PHP 25.54bn – farmer losses PHP 5.5bn – tariff revenue loss PHP 2.83bn).
- Projected retail price impact: chicken -1.7%, pork -2%; farmgate: chicken -1.9%, pork -2.3%.
- DA counter-proposal: expand MAV to 500,000 tonnes while keeping 5%/15% structure.

AAC View

The FEF-DA standoff reflects a core tension in Philippine agricultural policy: consumer welfare vs producer protection. The FEF argues that lowering feed costs would directly benefit consumers and help address malnutrition, with a net PHP 17.2 billion gain. The DA is unconvinced, warning that unilateral tariff cuts would hurt domestic corn farmers (PHP 5.5 billion in projected losses) and that theory does not match practice. With inflation recently hitting 7.2%, pressure to lower food costs is intense, but the DA remains wary of undermining domestic production.

Business Implications

- Feed millers: A flat 5% tariff would cut input costs and improve margins.
- Poultry/swine farmers: Lower feed costs would reduce production expenses, though part of savings would pass to consumers.
- Domestic corn farmers: Face PHP 5.5 billion in projected losses from cheaper imports.
- Consumers: Modest relief—chicken prices -1.7%, pork -2%.

Source: The Manila Bulletin, 7th, August 2026

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Philippine aquaculture output falls 4.8% in Q2

Philippine aquaculture production fell 4.8% to 460,930 tonnes in Q2 2026, while total fisheries output rose 2% to 1.03 million tonnes, lifted by stronger capture fisheries, according to the PSA. Tilapia output grew 13.1%, but milkfish fell 7.1% and seaweed declined 3.3%. Marine municipal fisheries jumped 18.8% to 247,350 tonnes, while commercial fisheries edged up 0.7%. Squid (+42.2%) and roundscad (+38%) posted strong gains. Fisheries output value climbed 11.4% to PHP91.63 billion.



Key Numbers

- Total fisheries: 1.03 million tonnes, +2% YoY.
- Aquaculture: 460,930 tonnes, -4.8% YoY (~45% of total).
- Tilapia: +13.1% YoY; milkfish: -7.1% YoY; seaweed: -3.3% YoY.
- Squid: +42.2% YoY; roundscad: +38% YoY.
- Fisheries value: PHP91.63 billion, +11.4% YoY.

AAC View

The Q2 data shows aquaculture contracting while capture fisheries rebound. The milkfish (-7.1%) and seaweed (-3.3%) declines dragged down farmed output, though tilapia (+13.1%) performed well. Strong municipal fisheries (+18.8%) and high-value species (squid, roundscad) suggest improved fishing conditions. Value growth (+11.4%) outpacing volume (+2%) points to higher average prices. Aquaculture faces structural challenges including elevated feed costs and climate risks.

Business Implications

- Aquaculture farmers: Tilapia offers growth; milkfish/seaweed face pressure; evaluate species mix based on feed costs and demand.
- Processors/retailers: Value growth driven by higher-value species; monitor squid/roundscad supply chains.
- Investors: Aquaculture faces contraction risk; tilapia is the standout growth story.

Source: Bureau of Fisheries and Aquatic Resources, 17th, August 2026

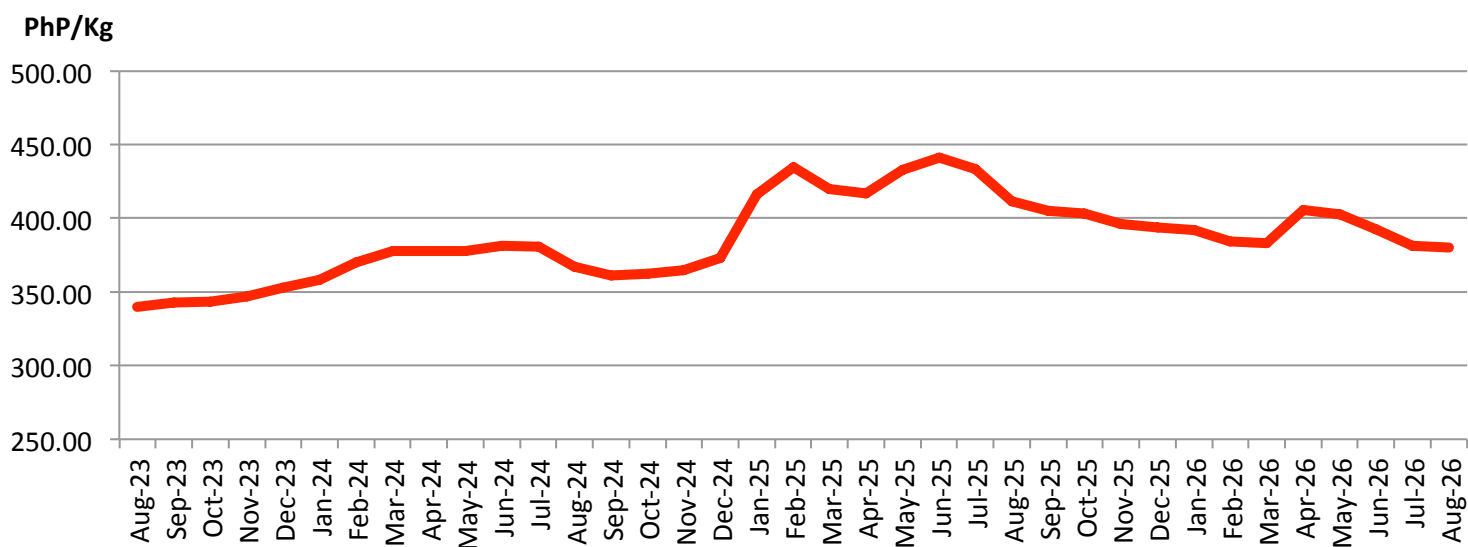
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Pork Belly Price in August



Philippine pork belly retail prices fell to PHP380.30/kg in August 2026, down 0.2% month-on-month and 7.6% year-on-year. Prices have now declined for four consecutive months since April, dropping 6.3% from PHP405.80/kg to PHP380.30/kg. The sustained weakness reflects record-high H1 pork imports (455,381 tonnes, +11% YoY) and sluggish consumer demand. Current prices are PHP50–70 below the government's PHP430–450/kg trigger threshold for additional MAV imports.

Key numbers

- August 2026 average pork belly price: PHP 380.30/kg
- Month-on-month change: -0.2%
- Year-on-year change: -7.6%

AAC View

The August price confirms import saturation continues to pressure the market. The expanded MAV under EO 116 has cooled retail prices more than anticipated, with no additional imports likely until prices rebound above PHP430/kg—currently 13% above August levels. The 7.6% YoY decline and the prolonged four-month slide indicate the market has yet to find a floor, with prices approaching mid-2024 levels (PHP367–381/kg). Until domestic ASF-constrained production recovers or imports are curtailed, pork belly prices will likely remain under pressure.

Business implications

- Consumers/retailers: Sustained price relief; pork belly more affordable than in 16 months.
- Producers: Farmgate prices below costs; retail declines deepen losses—cost discipline critical.
- Importers/traders: Margin erosion; MAV release unlikely until prices hit PHP430/kg.

Source: Philippines Department of Agriculture, August 2026

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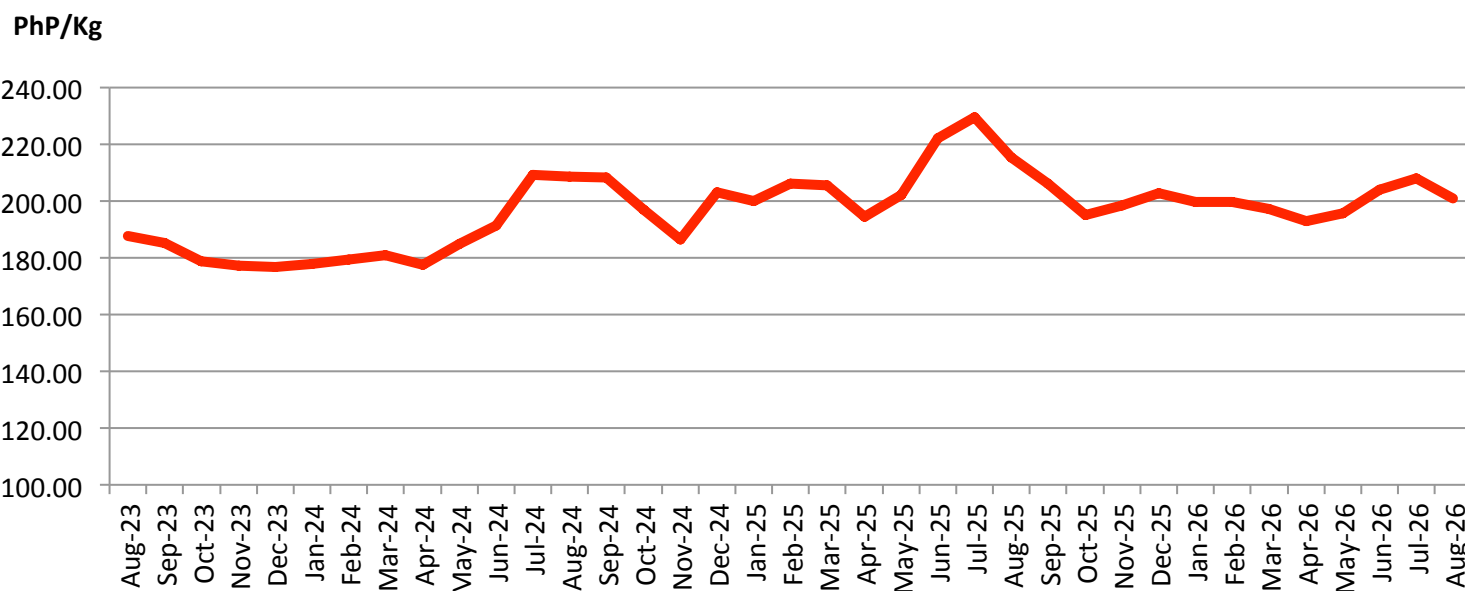
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Whole Chicken Price in August

Philippine retail whole chicken prices fell to PHP200.87/kg in August 2026, down 3.5% month-on-month and 6.8% year-on-year, retreating after two consecutive months of gains. Record Q2 chicken production (586,180 MT, +4.1% YoY) continues to weigh on prices, though chicken remains PHP179/kg cheaper than pork belly, supporting consumer substitution.



Key numbers

- August 2026 average whole chicken price: PHP 200.87/kg
- Month-on-month change: -3.5%
- Year-on-year change: -6.8%

AAC View

The August retreat signals that poultry market recovery has stalled as record production volumes keep prices in check. The 6.8% year-on-year decline confirms ample supply, though the PHP179/kg pork-chicken spread favours continued substitution toward poultry. Producers still face margin pressure—the 12.5% gap below peak suggests restructuring is incomplete. The PHP200–208/kg range appears to be the new equilibrium.

Business implications

- Producers: Overcapacity persists; focus on efficiency, avoid expansion.
- Consumers/retailers: Chicken remains the affordable protein; wide spread vs pork supports substitution.
- Feed suppliers: Broiler feed demand stable but subdued; aquaculture offers better growth.
- Processors: Stable chicken prices provide predictable costs; pork-chicken spread may drive reformulation toward chicken products.

Source: Philippines Department of Agriculture, August 2026

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