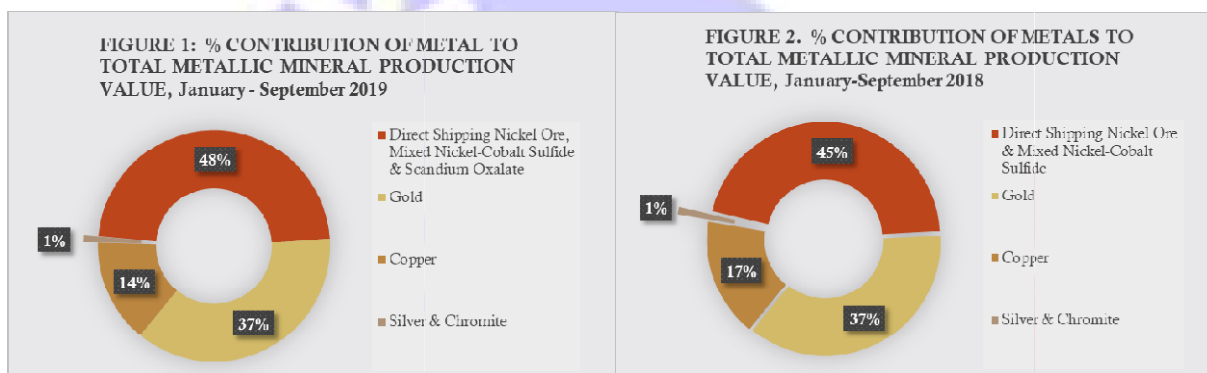


Metallic mineral production value sustains growth in Q1-Q3 2019

Metallic production value managed to pull a 6.5%, or PhP6.09 billion, growth from PhP93.48 billion during the first three quarters in 2018 to PhP99.58 billion during the same period this year.

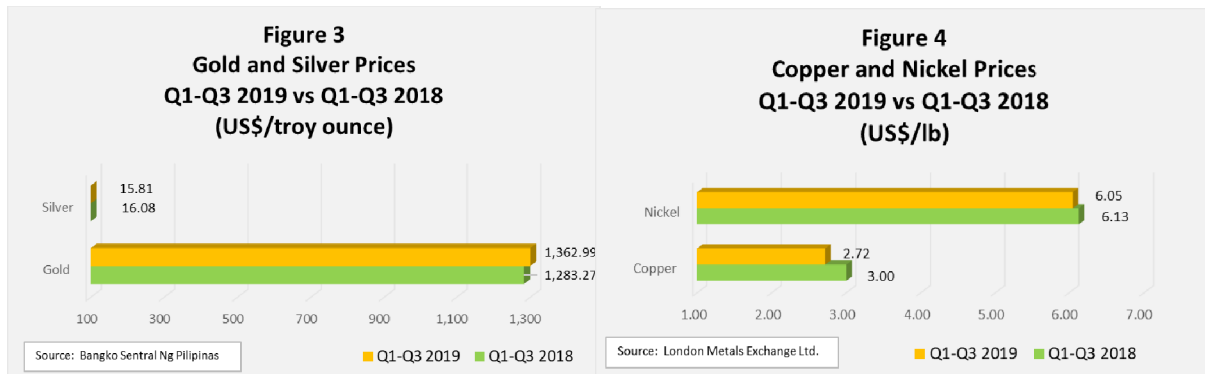
Despite the 1.24% slip in the average nickel price, nickel direct shipping ore with the aid of its other products (mixed nickel-cobalt sulfide and scandium oxalate) again took the spotlight accounting for 48% or PhP47.36 billion of the total value during the period. Gold retained the second spot with 37% or PhP36.90 billion, while copper took the third position with 14% or PhP14.40 billion. The remaining 1% was accounted for by silver and chromite with PhP0.9 billion.



In terms of metal prices, with the exception of the yellow metal, which rose by as much as US\$79.72 from US\$1,283.27 per troy ounce in 2018 to US\$1,362.99 per troy ounce in 2019. Metals prices of nickel, copper and silver all went down. The nine-month average of copper and nickel declined by 9.45% and 1.31%, respectively. Copper price dropped from US\$3.00 per pound to US\$2.72 per pound year-on-year. Nickel, likewise, slipped from US\$6.13 per pound to US\$6.05 per pound year-on-year. It is important to note, however, that the price of nickel has been going up from July to September 2019. In September alone, price was at US\$8.01 per pound.

The nickel ore export ban in Indonesia is expected to boost prices which will be a welcome development to the country's nickel producers. This will naturally increase the demand for our nickel ore. In terms, of world standing in nickel production. Indonesia was the world's largest nickel-producing country with 560,000 tons followed by the Philippines with 340,000 tons in 2018. Noteworthy, due to China's limited nickel resource, most of their nickel ore requirement come from the Philippines and Indonesia. China has been the country's major nickel ore market.

All things considered, the poor base metal prices of nickel and copper during the review period coupled with the continued none production of a number of nickel mines located in the provinces of Zambales, Dinagat Island and Agusan del Norte in a way stalled the growth of the metallic sector.



In terms of gold production, Masbate Gold Project of Philippine Gold Processing & Refining Corporation/Filminera Mining Corporation led with 32% or 5,182 kilograms with estimated value of PhP11.78 billion. Followed by Didipio Copper-Gold Project of OceanaGoldPhils. Inc. (OGPI) and Mindanao Mineral Processing and Refining Corporation/Philsaga Mining Corporation with 2,637 kilograms and 2,596 kilograms, respectively.

Apex Maco Operation of Apex Mining Company Inc., the country's consistent leader for silver production led with 8,518 kilograms or 34% valued at PhP227.29 million and in far second was Didipio Copper-Gold Project of OGPI with 4,093 kilograms with an estimated value of PhP107.20 billion.

Toledo Copper Operations of Carmen Copper Corporation (CCC) in Cebu dominated the copper production scene with 65% of the total production or 36,986 metric tons valued at PhP8.34 billion. Aside from CCC the other copper producers include: Padcal Copper-Gold Operation with 8,555 metric tons; OGPI with 10,186 metric tons; and Lepanto Consolidated Mining Company with 951 metric tons.

For nickel direct shipping ore, Taganito Mining Corporation in Surigao Del Norte reported the highest output with 65,694 metric tons valued at PhP5.87 billion. While Rio Tuba Nickel Mining Corporation in Palawan contributed 35,684 metric tons with estimated value of PhP2.81 billion. Generally, mine output was sluggish during the period, as most nickel mines reported production shortfall. Not to mention, those mining operations that are still under care and maintenance program and suspended status.

**Table 1. Philippine Metallic Mineral Production
January-September 2019 vs January-September 2018**

Mineral Commodity	Unit Used	JAN-SEP, 2019		JAN-SEP, 2018		% Change	
		Quantity	Value	Quantity	Value	Quantity	Value
PRECIOUS METALS							
Gold	KGS.	16,328	36,897,518,667	15,880	34,328,207,261	3	7
Silver	KGS.	24,849	644,362,025	22,521	598,247,124	10	8
BASE METALS							
Copper Concentrate	DMT	234,982	14,397,802,363	214,432	15,601,495,744	10	-8
Copper Metal Equivalent	MT	56,678		51,140		11	
Mixed Nickel-Cobalt Sulfide	DMT	67,181	22,375,929,893	62,225	18,088,196,991	8	24
Mixed Nickel-Cobalt Sulfide (Metal)	MT	38,665		35,774		8	
Scandium Oxalate	Dry-Kg	9,639	270,763,323	0	0		
Scandium Oxalate content	Dry-Kg	3,277		0			
Nickel Direct Shipping Ore	DMT	21,510,079	24,710,423,112	22,143,631	24,498,340,626	-3	1
Nickel Content of Ore	MT	262,877		298,591		-12	
Chromite	DMT	23,950	282,225,760	33,427	369,969,208	-28	-24
TOTAL			99,579,025,143		93,484,456,953		6.5

To date, the Mines and Geosciences Bureau remains relentless in beefing-up its environmental and monitoring policies to ensure sustainable environmental conditions at every stage of mining operation is observed and minimize the disturbed area of a mining project at any given time.

New policy issuances include: (1) Joint Memorandum Circular No. 01 Series of 2019 (Guidelines on the Issuance of Clearance and/or Permit for Dredging Within Waterways or Other Inland Bodies of Water; (2) MGB Memorandum Circular No. 2019-001 (Clarificatory Guidelines on the Industrial Sand and Gravel Permit; (3) Memorandum Circular No. 2019-002 (Supplemental Guidelines to MGB Memorandum Circular No. 2018-01 Otherwise Known as Guidelines in the Conduct of Apprehension, Seizure, Confiscation and Disposition of Illegally Sources Minerals/Mineral Products and By-Products, Tools, Conveyances and Equipment Used; and (4) Department Administrative Order No. 13, S. 2019 (Rationalizing Dredging Activities in the Heavily-Silted River Channels of Bacao in Botolan, Maloma in San Felipe and Sto. Tomas Traversing the San Marcelino, San Narciso And San Felipe Municipalities in the Province of Zambales).