

General.—It is reported that the British Ministry of Food has purchased the free 1949 sugar of the Dominican Republic, estimated at 400,000 long tons, at a price to be determined periodically. The first delivery will consist of 75,000 tons for January/February shipment, and the price for this has been fixed at 4¢, f.o.b. Last year the Ministry bought the 1948 crop at a fixed price of 5¢, f.o.b.

World production of sugar for 1948-49 has been estimated at 33,808,000 short tons raw value, as against 32-611,000 short tons for the pre-war year of 1937-38. It will be seen that world production for the present season is likely to exceed pre-war production by about 1,000,000 tons. In normal times, the increase during the period would have had to be much greater in order to satisfy the demand arising from the steady increase in world population.

Recent reports are that the Javan sugar industry will recover very slowly and no worth while exports are expected before 1951.

Tobacco

BY THE CONDE DE CHURUCA
President, Manila Tobacco Association

The leaf-tobacco market has been moderately active the past month, especially for the lower-grade tobaccos "4as.", sales having been made at around P100 to P105 a bale for Isabela lots. Higher grade tobacco, "Classes", are not in so much demand as only the cigar manufacturers have a use for them, and in limited quantities.

It is yet too early to justify our hopes for a big crop in 1949, in spite of the enthusiasm of the farmers; but even a big crop would be quite below the pre-war average, and, though ample for local industry, would not be sufficient to increase our exports as substantially as we would like to do.

We can well say that the tobacco business is passing through a transition period, and that it will not reach any great stability until there has been time to adjust the new laws, especially the controls on imports, to the needs of the consumers and new channels have been opened to the business.

Although I have already mentioned it in one of my previous articles, I will again point out the importance that the production of the Virginia type tobacco can have for the Philippines. If this kind of tobacco or something similar can be produced, the Philippines will surely become a self-sufficient country in all its tobacco business. Not only that, it will have a vast market in the Far East, with better facilities to supply it than any other country of actual producers.

The results obtained up to now have been very favorable, but even so it will be a very slow process, first, to acquire a permanent type of bright-yellow tobacco which will not degenerate, and, second, to arrive at a production capable of supplying even a small part of the actual consumers' demand for yellow cigarettes.

The actual imports are around 9,000,000 cigarettes a year, and about 300,000 quintals of tobacco would be needed to manufacture them; more than last year's production of native tobacco in all the Philippines. With an average of around 20 quintals per

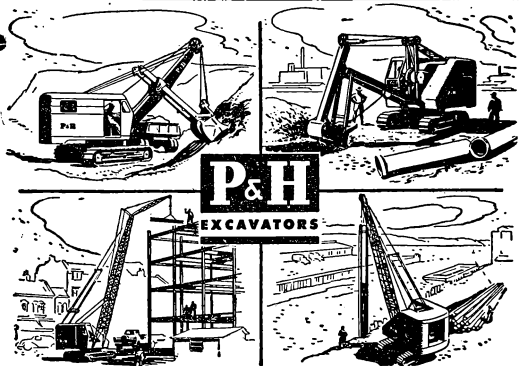
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hectare, at least 15,000 hectares would be needed to produce such a crop, and many years must pass until such a volume of tobacco could be produced.

For the moment, and in the best of cases, if the 1949 and 1950 experimental crops make it advisable to extend the planting, we couldn't expect much more than a 200 to 500 hectare plantation for 1951, and it would take at least 5 years more to consolidate a 5,000 hectare plantation, even if enough land is available.

I am stressing these figures to show how slow any process of readjusting our tobacco industry is bound to be. Measures which at first impression seem radical and revolutionary, are not really so as they are subject to the great process of time, and there will be enough of it to permit every one to find his bearings without disrupting the tobacco business as it is today.

Automobiles and Trucks

BY G. E. SHINGLEDECKER
Manager, Ford Motor Company

UNITED STATES automotive output for the first 10 months of 1948 totalled over 4,000,000 passenger cars and trucks and, barring unexpected strikes or material shortages, the industry should produce approximately 5,300,000 vehicles for the year.

Present indications point to a production increase to 5,750,000 vehicles for 1949 as more steel should be allocated to the industry. Most manufacturers will have introduced their postwar models by January and the coming year should see straight-

through productions by the volume producers.

It is unlikely that General Motors, Chrysler, or Ford will bring out a so-called thrift model or light car during the next year as the demand for present models does not justify any change.

Prices are expected to be increased in the near future as material costs continue to rise and labor is presently negotiating for its fourth wage-increase since the end of the war.

Textiles

BY JAMES TRAYNOR

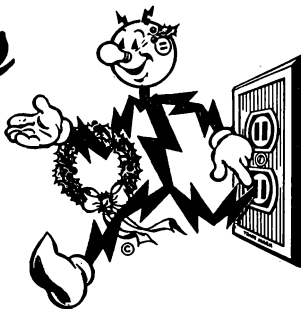
THE textile market during November continued to be active. Arrivals during the month were substantial and off-take was satisfactory.

The East Coast longshoremen's strike caused a stoppage of shipments, although some textiles were shipped through Southern Atlantic and Gulf ports. Toward the end of the month importers adopted a wait-and-see policy before making new commitments. This attitude was based on the belief that contracts that were delayed because of the strike would come forward with December contracts and might tend to overstock the market during the next four to six weeks.

Shipments from Shanghai arriving in November were much smaller than formerly and this will continue to be true because of the situation in China. Shanghai appears to be taking no new commitments from this market.

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