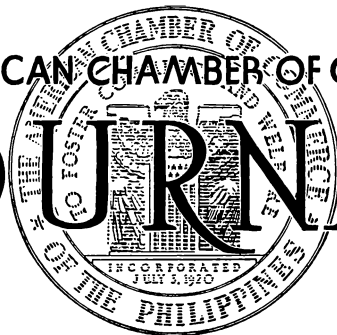


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JOURNAL



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Editor and Manager

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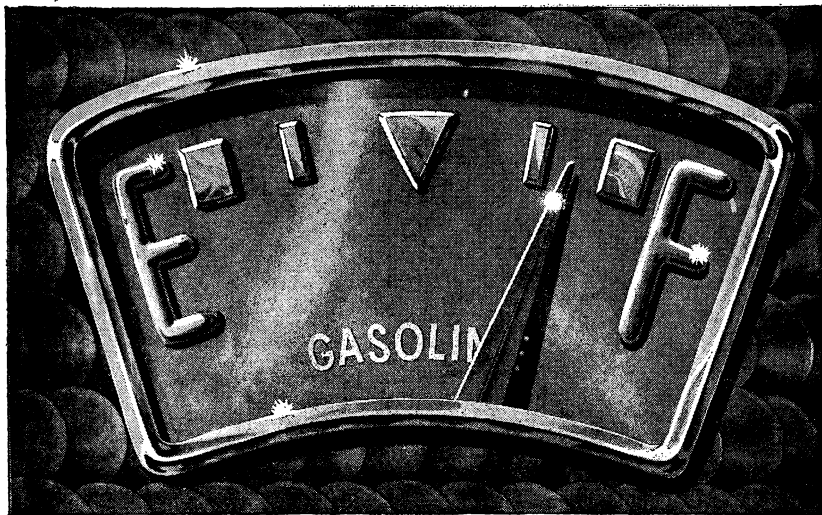
August, 1955

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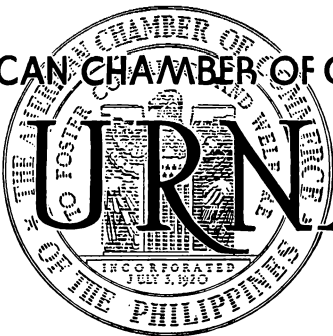
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Editorials

"... to promote the general welfare"

The bills authorizing the respective Presidents of the United States and the Philippines to enter into a revision of the 1946 Trade Agreement according to the terms embodied in the Laurel-Langley Agreement signed in Washington on December 15, 1954, have been duly enacted,—the Philippine bill having been passed by both houses of the Congress of the Philippines on May 10, 1955, and signed by President Magsaysay on June 18, and the corresponding American bill having been passed by the House on July 7, by the Senate on July 21, and signed by President Eisenhower on August 1.*

The *Economist* (London) in commenting on this development in its issue of July 30, stated:

"At first sight a trade agreement imposing duties on Philippine exports to the United States seems a rather odd and anachronistic way of rewarding the Republic for its support of the American point of view at recent Far Eastern conferences and for putting its own economy into better order. But the agreement which Congress has just approved in fact eases the transition from the special arrangements made in 1946 to help the struggling young Republic to a normal economic relationship between sovereign and equal nations... Furthermore, Filipinos gain more than do Americans from an agreement which has aroused practically no controversy.

"From next January, tariffs will be levied on goods being traded between the two countries. Under the 1946 Act [the Bell Act], payment of duties was supposed to begin in July, 1954, and was to be exactly reciprocal, with charges starting on both sides at 5% of the rates levied on similar imports from other countries and gradually rising to the full rate after twenty years. Now the United States tariffs on imports from the Philippines will start at a lower level and rise less rapidly than will Philippine tariffs on imports from the United States. The Philippine Government feels that needed industrialization has been hampered by the free entry of American manufactured goods; it is anxious to check this as quickly as it can..."

"Rather odd and anachronistic" as the new Trade Agreement may appear at first sight, it is only the latest of a series of modifications of the provisions first contained in the Hare-Hawes-Cutting Act of 1933, which the Philippines found unacceptable, but which, with some slight changes, were embodied in the Tydings-McDuffie Act of 1934 which established the Commonwealth of the Philippines as a transitional state to independence. The Tydings-McDuffie Act was, in turn, amended by the Tydings-Kozaiewski Act of 1939, this measure substituting grad-

ually declining quotas for the gradually increasing export taxes on some Philippine products and providing for the calling of a trade conference two years before the date of independence to consider the situation as it would exist at that time. The war then intervened, and after the war a new Trade Agreement was entered into based on the provisions of the Philippine Trade (or Bell) Act of 1946 which extended the period of relatively free trade for eight more years. This free trade period was to have terminated on July 3, 1954, but action taken by the two Governments that year resulted in the extension of the free trade period for eighteen more months, from July 4, 1954, to December 31, 1955, which extension was agreed upon to permit consultation with a view to securing further mutually satisfactory modification or revision of the Trade Agreement. Such mutually satisfactory terms were hammered out during some three months of negotiation and were embodied in the Laurel-Langley Agreement already referred to.

All these successive modifications have been in the same direction,—toward giving the Philippines more time to adjust itself to even the gradual cessation of the special trade relationship which has long existed between the two countries.

The Agreement, which goes into effect at the beginning of 1956 and "shall have no effect after July 3, 1974" and which "may be terminated by either the United States or the Philippines at any time, upon not less than five years' written notice", but may also be terminated upon not less than six months' written notice, "if the President of the United States or the President of the Philippines determines and proclaims that the other country has adopted or applied measures or practices which would operate to nullify or impair any right or obligation provided for in this Agreement" (Article XI), is still not final in the sense of not being open to further modification.

Article X reads, in part:

"Not later than July 1, 1971, the United States and the Philippines agree to consult with each other as to joint problems which may arise as a result or in anticipation of the termination of this Agreement."

The Agreement was concluded with the aims clearly stated in the Preamble:

*The actual Trade Agreement has still to be signed by the two Presidents.

"The President of the United States of America and the President of the Republic of the Philippines, mindful of the close economic ties between the people of the United States and the people of the Philippines during many years of intimate political relation, and desiring to enter into an agreement in keeping with their long friendship, which will be mutually beneficial to the two peoples and will strengthen the economy of the Philippines so as to enable the Republic to contribute more effectively to the peace and prosperity of the free world, have agreed to the following articles..."

It is the hope of us all that the Agreement will be mutually beneficial and will strengthen the economy of the Philippines and that no further modification of the provisions will be necessary.

Both the original terms and their repeated modification, however, are proof, if proof were needed, of the continued American concern in the welfare of the Philippines.

Of perhaps greatest interest to us, in this part of the world, as to the conference of the heads of the Big Four Powers at Geneva last month, is the fact that Far Eastern issues were not raised "Summit" and that the emphasis was laid on what Conference are principally European issues,—German unification, European security, disarmament, and "East-West" relations, i. e. relations between Russia and the Western powers. (M. R. Masani, of India, in a recent issue of *Foreign Affairs*, pointed out that the use of the terms "East" and "West" in this connection is misleading and unfortunate.)

Even on the four issues raised, there was no real negotiation and the parties to the Conference were content to state their general positions. There was no agreement,—agreement was not to be expected, but in a final directive which was issued, the foreign ministers of the respective parties were instructed to consider, at a conference to be held in October, "European security and Germany", it being stressed that they are closely linked, and the ministers were also instructed to work for "a progressive elimination of barriers which interfere with free communications". The issue of disarmament was referred to the United Nations Subcommittee with the recommendation that it meet in New York on August 29.

Whether the foreign ministers and the United Nations Subcommittee will be able to do any better than the Big Four, is a question.

Though the principal Far Eastern issues,—as to Korea, Formosa, Indo-China, and the recognition of Communist China, did not specifically come up at the Geneva Conference, the four major issues that were raised lie at the base of the "cold war" and this is world-wide.

The most basic issue of all, however, was, in so far as the world knows, hardly even touched upon. That is the issue between democracy and totalitarianism. There can never be free communication, any real trust, any real disarmament, any real security and peace until Russia become a real democracy.

Until such time, Russia's basic aim will continue to be to prevent German unity, to keep the Iron Curtain down, to push the United States out of Europe, and to extend its conquests over ever-widening areas. Contrarily, the Western Powers will continue, in self-defense, to maintain the Atlantic Alliance and other similar pacts. There might be some limitation of armament, but there can be no real disarmament of the separate nations, unless democracy is established in Russia, or unless disarmament can be forced by some overwhelming international power to which Russia, slave or free, would have to bow.

President Eisenhower talked in Washington, some days before the Conference opened, of changing the spirit in which international problems were approached. Certainly, if there was no real change in spirit, there was a change in behavior, especially on the part of the Russians, and there was, consequently, a notable change in the atmosphere in which the meeting was conducted. The

mood established and maintained throughout approached the friendly, even the cordial. As one observer wrote, the Russians still said "No", but they were "so nice about it".

A friendly air shrewdly assumed by an inflexible enemy is a dangerous thing because it relaxes vigilance. But it is to be noted that the Russian press reported the conference proceedings correctly and printed the full texts of the statements of the Western leaders, and that *Izvestia* went so far as to state editorially that "a new era in international relations has begun". This, wrote a commentator in the *New York Times*, is—

"a remarkable turnabout from the tradition of keeping the Soviet people completely ignorant about Western positions or of presenting those positions in distorted and incomplete form. Certainly, the friendliness shown by the Soviet leaders at Geneva and the corresponding tone of the press is at the other extreme from the deep hostility and virulent hatred that have been propagated at other times".

Of course, the Russian leaders could not well have instructed their press to treat the conference news differently, for if the normal press hostility had continued, the friendliness at Geneva would immediately have been proved to be insincere.

The shift in the tactics of the Russian rulers from crude hostility to friendliness, therefore, entails certain dangers also for them at home, for their control has always been partly based on the maintenance of virulent anti-western propaganda and on exploiting the people's fear of "capitalist war-mongers".

It would appear to be true that the Russian rulers are seriously intent on improving their international relations. It may be that they have at long last only become convinced of a fact that older governments long have known,—that good manners are of value in diplomacy. It may be, too, that the matter goes deeper than that.

It may be that Randolph S. Churchill was right when he wrote:

"The pattern of this curious conference is now becoming apparent and reality is beginning to emerge. The supreme and heartening fact is that all those on the summit are gradually but unescapably adjusting their minds to the incomprehensible and hitherto unprecedented fact that war has now become impossible... The great emergent fact is that both East and West now acknowledge the fact, face to face, that as a result of both sides having achieved the saturation point with the stockpiling of hydrogen bombs, war has now become impossible..."

"In the first two days of this conference, it is already clear that the fear of war has passed and that the tensions of the past ten years have already been greatly eased. Indeed, though this was not plain beforehand, the very fact that it was possible to hold this conference, was due entirely to the diminishing of fear and the lessening of tension. The mere holding of the conference, whatever may be decided or left undecided, was in itself the proof of the pudding."

"I can state authoritatively that this wonderful new truth is already crystal clear, in all its majestic simplicity, to the most thoughtful minds of those at the summit and that it is a good deal more than half grasped by the Soviet delegation. It was quite clear at Sir Anthony's dinner last night that the Soviet leaders absolutely accept the solemn declarations given them by President Eisenhower, both in public and private, that the West will never start a war against Soviet Russia."

Perhaps this conviction that war has become impossible was an important factor in leading President Eisenhower to offer to exchange military blue-prints and facilities for unrestricted aerial reconnaissance with Russia, although this was not a new idea; it was first made by the United States in 1946 and received special emphasis in a "working paper" submitted by the United States to the Disarmament Commission in April, 1952. It was also practically a repetition of the American proposal made by Secretary of State Dean Acheson in 1951 for an international arms census and "disclosure with verification" to guide the Disarmament Committee in drawing up a program.

Over against this view of war as impossible, we have the recent statement of Bertrand Russell:

"The nations must be prepared to give up some sovereignty to establish a world government. We have to do that sooner or later, or some madman will forget that war is impossible."

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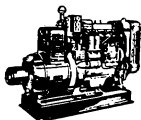
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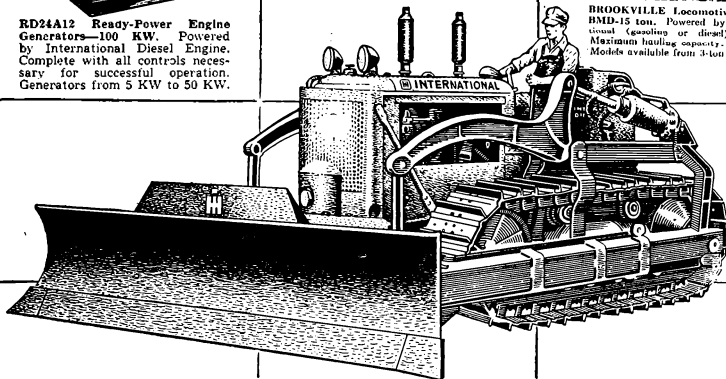


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BRANCHES AND DEALERS THROUGHOUT THE PHILIPPINES

The final escapes from a new world-war cataclysm appear to be either the democratization of Russia or world government.

At most, Geneva was only a good beginning. The "acid test", as President Eisenhower said, will come when the foreign ministers meet in October.

We have recently received a number of publications of the Statistical Training Center, University of the Philippines, established in 1953 by the Philippine Government with the cooperation of the United Nations, of which Dr. Enrique T. Virata is the Acting Director and Dr. M. B. Givens the United Nations Principal Statistical Advisor.

Among these publications is a mimeographed 50-page brochure of special interest to businessmen,—"Statistical Services of the Philippine Government", which gives a description of the series of statistics collected, processed, and published by the various government entities; surprisingly, there are over 40 bureaus and their divisions, commissions, administrations, and services which issue statistics. The principal entities in this respect are, of course, the Bureau of the Census and Statistics, under the Department of Commerce and Industry, and the Department of Economic Research of the Central Bank of the Philippines, but other important statistical series are issued by other bureaus under the Department of Com-

merce and Industry, and by the various bureaus and other entities under the Department of Agriculture and Natural Resources, the Department of Labor, the Department of Finance, the Department of Education, the Department of Public Works and Communications, the Department of Health, and the Department of Justice, and, also, by the General Auditing Office, the Budget Commission, the Rehabilitation Finance Corporation, the Philippine National Bank, the Commission on Elections, and the Manila Railroad Company.

In each case there is a description of the statistics prepared, a statement as to how the data is collected and as to how the statistics are processed and published.

In the Introduction it is stated:

"The principle of centralization of government statistics which was reflected in the Bureau's set-up [the Bureau of the Census and Statistics], has not been workable on a government-wide basis, and statistical activities soon reappeared in the other departments of the government, as is reflected in the summaries contained in the following pages. The present pattern of the statistical services is one of decentralization, with individual departments active, especially in the use of reporting and statistics in the measurement and analysis of the operations, while the Bureau of the Census and Statistics serves as the specialized multi-purpose statistical office. Meanwhile, statistical functions and positions now appear in the plantillas of virtually all departments and agencies."

It is also stated:

"The importance of statistics for government in the Philippines has received growing recognition during the post-war years. This is reflected in a widespread growth of statistical activity as an aid to management in the measurement of operations and results throughout the government, as well as in the provision of basic information on the population and socio-economic life of the country."

Philippine-American Trade

By W. C. PALMER III

Vice-President, American Chamber of Commerce
of the Philippines

FOR a long period of years before the war, the United States bought about 80% of our total exports, and we bought from the United States about 60% of our total imports.

Skipping the war-years, when our foreign trade was totally suspended and skipping also the first post-war years when our trade was in an highly abnormal state due to the heavy importations needed and our inability to export in any large volume, we take here the years from 1949 to 1954.

As the table shows, during the 6-year period under review, if we average the annual percentages, the United States bought only 68% of our total exports, as compared to 80% before the war, and we bought from the United States some 74% of our total imports, as compared to 60% before the war.

In other words, the proportional relationship between our exports to, and our imports from the United States, has been reversed. Percentage-wise, we are selling less of our total exports to the United States and buying more of our imports from the United States than we did before the war.

With that reversal, our favorable balance of trade with the United States has disappeared, and with it the favorable balance in our total trade. For before the war, the favorable balance with the United States always more than offset our unfavorable balances with some other countries.

As to the trend during these 6 years, the annual percentages show, as regards our exports to the United States, that the percentages have continued to decrease in proportion from 72% and 73% in 1949 and 1950, respectively, to 61% in 1954—as compared, remember, to 80% before the war.

On the other hand, the annual percentages show, as regards our imports from the United States, that the percentages have also decreased from 80% in 1949 to 72% in 1951, the percentages rising again in 1952 and 1953 to 73% and 77% respectively, and then dropping to 68% in 1954. The 60% of the pre-war years, however, has not yet been reached.

These percentage figures show that while the United States is still our primary export and import market, it has,

1. PHILIPPINE FOREIGN TRADE

(F.O.B. value in thousands of pesos)

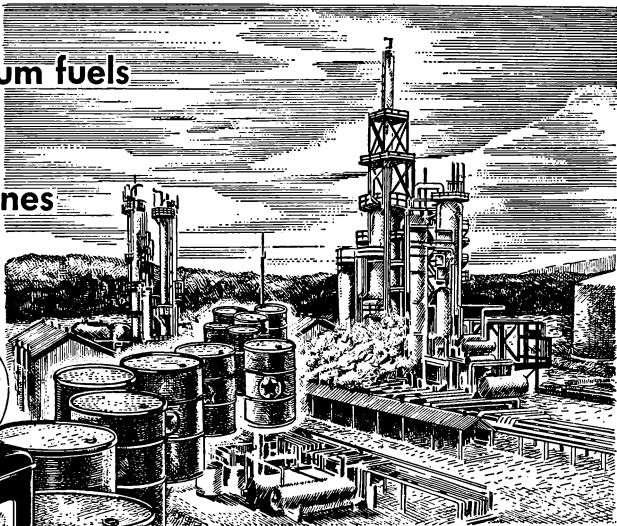
Year	Pre-war average percentages		60%		80%	
	Imports	Exports	Imports	Exports	Imports	Exports
1949.....	₱1,172,750	₱507,510	₱938,580	(80%)	₱363,773	(72%)
1950.....	684,865	674,339	510,472	(74%)	491,166	(73%)
1951.....	980,025	871,014	700,800	(72%)	567,200	(65%)
1952.....	846,097	703,836	617,083	(73%)	473,604	(67%)
1953.....	914,046	807,573	704,404	(77%)	551,800	(68%)
1954.....	965,28	810,327	652,702	(68%)	490,491	(61%)
1949-1954..	Average Percentages		(74%)		(68%)	

*This and the two following addresses were delivered before the Rotary Club of Manila on "International Commerce Day", July 14, 1955, at the Manila Hotel.

Based on the Central Bank of the Philippines, *Statistical Bulletin*, March 1955, p. 99.

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since the war, been slowly becoming less so. We are obviously finding other markets for at least some of our exports, which is a good thing, but we have apparently so far not been able to find other countries where we could buy as advantageously as in the United States.

If we consider the *absolute trade figures* rather than the percentage and proportional figures, we have, first, the fact that during the pre-war Commonwealth period from 1936 to 1941, the average annual total figures were:

Total exports.....	₱ 312,200,000
Total imports.....	245,200,000
Total foreign trade.....	₱ 557,400,000

The favorable annual average trade balance was ₱67,000,000.

They were the good old days, to be sure! And we were getting only such prices for our main export products as seem impossibly low today! (See table II.)

Comparing those figures with the average figures for the 5-year period, 1950-1954 (I am omitting here the 1949 figures because the imports for that year were still abnormally high). The average annual total figures were:

Total exports.....	₱ 773,418,000
Total imports.....	878,051,000
Total foreign trade.....	₱1,651,479,000

The unfavorable balance was an average ₱104,643,000. And we were getting very high prices for our export products compared to pre-war.

You will see that in peso-terms, our average annual exports during those five years were almost 2-1/2 times our exports before the war, and that our average annual imports were about 3-1/2 times our imports before the war. But in making such a comparison we have to take into consideration not only the change in the value of the peso and the changes in the prices of our imports and exports, but the increase in our population. I have not had the time to make such a study, but when we consider that the population since 1936 has increased from around 16,000,000 to nearly 22,000,000 (an increase of around 37%), the increase in our trade is not spectacular even if we dis-

II. WHOLESALE PRICES OF MAJOR EXPORT PRODUCTS (In pesos)

Year	Copra 100 K	Sugar cent.	Abaca 100 K	Other 100 K	Lumber 100 K	Logs 1000 bbls.	Leaf tobacco 110 K	Dico 100 K	Firebricks 100 K	Copra 100 K	Meal 100 K	Tonnage 100
1941	6.17	4.81	8.09	14.00	66.38	31.21	15.02	21.00	21.00	2.00	37.00	
1950	35.98	14.14	53.24	68.00	221.60	141.75	132.33	66.00	30.00	11.00	98.00	
1951	36.16	13.59	62.66	70.00	229.56	147.14	104.00	67.00	33.00	12.00	113.00	
1952	24.63	14.25	38.74	46.00	212.76	139.54	61.22	53.00	40.00	15.00	97.00	
1953	36.62	15.20	38.56	69.00	240.01	157.27	67.62	67.00	39.00	12.00	96.00	
1954	30.76	14.91	27.46	57.00	223.13	142.04	98.12	61.00	38.00	10.00	87.00	

Central Bank Economic Indicators, December, 1954, p. 39.

regard the other factors. There has, of course, been a considerable decrease in the prices of most of our exports since 1950.

The *export and import tonnage figures* give us perhaps a better idea of the actual physical growth in our trade.

Inward or import cargo tonnage in 1940 amounted to around 2,000,000 tons and outward or export cargo to around 3,400,000 tons.

In 1953 the inward cargo tonnage was around 2,400,000 tons and the outward tonnage was 5,000,000.

That shows, surprisingly enough, a rather small increase (some 20%) in the bulk of the inward or import tonnage, but about a 48% increase in the bulk of our outward or export tonnage.

The figures are all rather bewildering, if not confusing. But the "lesson" we may perhaps draw from them is that our importations are no larger than they should be and we might well import more in view of the growing needs of our growing population and what should be a rising standard of living, but that our exports have not been large enough to enable us to import more to make a generally good standard of living possible.

We must increase our production and our export trade if we are really to make progress instead of merely talking about it and wishing for it. Such an increase will require capital and much more new investment than we have succeeded in attracting so far. To get capital we must have a favorable investment atmosphere and stable labor relations.

Philippine Trade with Britain and Europe

By G. H. W. CHURCHILL
President, Manila Chamber of Commerce

As President of the Manila Chamber of Commerce I was asked to speak to you today on Philippine trade with England. As the membership of the Manila Chamber of Commerce represents 13 nationalities, and of its 65 members 17 are Filipinos, 16 are British, 13 are Americans, 7 are Swiss, and the rest Spaniards, Danes, Swedes, Germans, Dutch, Canadians, etc., I hope you will not object if my talk embraces trade with European countries in general. Trade with the United States and China is covered by other speakers.

Up to the turn of the century, most of the Philippines' foreign trade was with European countries and there are still in the Philippines today some of the import and export houses which handled a large proportion of that trade. I refer particularly to Warner Barnes, started in 1822, Wise & Co. in 1826, Ker & Co. 1827, Smith Bell & Co. 1846, Elzalde & Co. 1855, Cia. General de Tabacos 1881, Ed. A. Keller 1887, and Kuenzle & Streiff 1889. Incidentally, the Manila Chamber of Commerce itself was founded in 1899.

With the 20th century came American influence and the various trading agreements between the Philippines

and the United States which have channelled the bulk of the country's import and export trade toward the United States.

By 1954 only 8.8% of Philippine imports came from Europe and 20% of Philippine exports went to Europe.

In that year and while total Philippine imports exceeded exports by ₱155,000,000, exports to Europe were nearly double imports from Europe, and exceeded them by ₱77,000,000. The main exports to Europe are abaca, copra, and tobacco, while the main import from Europe is machinery.

Britain is one of the oldest traders with the Philippines and has over the centuries established a fairly traditional pattern of trade with this country. Long-established British firms and banks have made their contribution to this trade which, over the years, has changed only slightly. This has led to a very stable relationship and to well-established markets as much for certain Philippine exports, mainly abaca to Britain, as for certain British exports to the Philippines. Because of the disadvantage at which British goods—and in fact goods from all European countries—are placed in the face of the preferential treatment



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which is accorded to United States goods, the trade between our two countries has not kept pace with the steady growth of international trade. Following the war and the consequent dislocation in trade, Britain gradually resumed its imports from the Philippines, and the Philippines re-established its imports from the United Kingdom. But by 1950 Britain's share was only about 1% of the total of Philippine trade in either direction. During the last 5 years, Britain has improved its competitive position in the Philippines, as in other world markets, mainly by reduced prices. This, coupled with lower freight rates from the United Kingdom, has at times enabled certain of its goods to be competitive in the Philippines in spite of the import duties levied upon them.

Following the pattern of its traditional trade with the Philippines, and apart from supplying Scotch whisky, cotton thread, and other specialties, Britain has mainly supplied machinery and manufactures. Of great help have been the special facilities given for the establishment of new and necessary industries in the Philippines where imports of machinery, machine parts, and raw materials under certain circumstances and within stipulated limits, are permitted to enter the country free of duty. Under this scheme British machinery, and that of other countries, has been placed on an equal footing with that of the United States, and Britain has thus succeeded in supplying worthwhile equipment to assist the industrial and economic progress of the country. As a result in the textile field as well as in the assembly of motor cars and radios, and to a lesser extent in other fields, British goods are now represented in this market to a degree to which it would not have been possible previously.

International trade should flow in as free and unfettered a fashion as possible, and Britain is one of the world's leading exponents of this policy both in theory and in practice. Thus British exporters, and in fact all European exporters, welcome the revision of the Bell Trade Act which gradually, during the next 9 years, will close the margin of preference which so far and in many cases has priced

them out of the market: this should result in a big increase in imports from Europe. But the Philippines in turn will rightly expect a corresponding increase in its exports to Europe.

It is significant that since the war total Philippine exports have lagged behind total imports. If this imbalance of trade is to be adjusted, the Philippines must increase its exportable production. This increased production cannot be brought about without increased investment, and because there is insufficient Filipino capital ready and available to provide this additional investment there is a great need for legislation to encourage such investment from abroad.

Opinions on the advantages and disadvantages of new foreign investment differ greatly. My own view is that every new industry in the Philippines irrespective of its ownership adds wealth to the nation merely because the industry is in the Philippines. It adds wealth because it produces more goods and because it finds employment and provides training for more Filipinos. More employment means more money, and more goods mean cheaper prices—together they produce a higher standard of living.

But the foreign investor is still shy about coming to the Philippines because the climate for investment is not nearly as encouraging as he would wish. He wants to know before he invests his money that there will be no restrictions to prevent him from competing on level terms with the nationals of the country. He needs assurance that he can repatriate his capital investment over a reasonable period of years, and he needs assurance that he can remit his profits—a fair return on his investment. He does not ask, nor does he expect, a guarantee that he will make a profit here, and he considers the question of profits or losses a normal commercial risk on which he is prepared to take a chance.

It is hoped that those in whose power it is to fashion the necessary legislation to encourage the entry of foreign capital will bear these thoughts in mind.

The Philippine-China Trade

By SY EN

President, Philippine General Chamber of Commerce

I GREATLY appreciate the honor of addressing this distinguished gathering. The theme of today's meeting is Philippine foreign trade. I shall speak first on Philippine-China ties, as I believe that while the present extent of Philippine-China trade may not be of major significance, its potentialities can be best understood and measured in terms of the general background of relations between the two countries. The relations between the Philippines and China consist not only of trade and commerce but also of culture and friendship and even ties of blood, and such relations antedate Philippine relations with other foreign countries by many hundreds of years.

Philippine historians agree that Chinese first opened the Philippines to foreign trade. Chao Ju Kua, a Chinese chronicler, during the Sung Dynasty, that is in the 10th century, described the lively and extensive commerce carried on by Chinese trading vessels visiting the Philippines. Such trade, entirely on a barter basis, was not confined to Luzon only, but extended to the other islands of the archipelago. And the Chinese did not confine themselves to sea-ports such as Manila, but penetrated into the long inland-waterways of the Philippines. The Chinese were, in the truest sense, the entrepreneurs in Philippine foreign trade.

From pre-Spanish to Spanish times, the Chinese not only traded with the Philippines but actively contributed to the development of Philippine economic life in many other ways. In the same way that Chinese traders stimulated commerce so did Chinese artisans and craftsmen stimulate all types of industrial and productive activities, both as workers and as teachers. The Chinese introduced to the Philippines, among other things, mining methods, metal work in iron, bronze, copper, and gold, carpentry, the extraction of juice from sugar cane, and other useful activities. Morga, whose history of the Philippines was richly annotated by Dr. Jose Rizal, wrote in 1609 that "the colony cannot exist without the Chinese as they are workers in all trades and business and are very industrious and work for small wages."

It may be safely stated that the Chinese contribution to the economic life of the Philippines represents one of the most important factors in the progress of the country. This is not to disparage the considerable contributions of other foreign elements; but the fact remains that no other foreign people have been more closely identified with the daily economic activities of the Filipinos than the Chinese.

COMING to the 20th century, Philippine-China trade has not presented an encouraging picture.

But while formal trade between the two countries did not progress in recent years, the actual participation of the Chinese in the economic life of the Philippines has proceeded apace and it can truly be said that the Chinese in the Philippines exerted their all-out efforts to help the progress of the Philippines during the last 50 years in trade and industry. Even the foreign trade of the Philippines, both export and import, the Chinese did their best to carry on; and the Chinese, as wholesalers, retailers, and agents have stimulated activity in every conceivable branch of trade and commerce, both foreign and domestic. The Chinese, as merchants, have ventured to every remote corner of the country, and have indeed gone into places where others have not ventured, and they have, as modest bankers and financiers, attended to the needs of the humblest Filipino farmers and producers. The Chinese not only risk their capital, their investment, but also labor all their lives to serve the people. The essentiality of their service to the livelihood of the people is a very important factor which should not be overlooked.

THE end of World War II found the Chinese in the Philippines working hand in hand with the Filipinos in the tremendous task of economic reconstruction. Those of you who were here in the Philippines during Liberation will remember that the Chinese, with industry and courage, helped start the wheels of commerce and industry turning again. I believe that not sufficient credit has been given to the Chinese for the role they played in helping the Philippines recover from the devastations of war; what the Chinese did in their humble part was to meet the demands of the Philippine economic situation. Never was there intention to do anything harmful to the economic growth of the Philippines, nor to dominate or control the Philippine economy. The lack of a fair appreciation of Chinese efforts has resulted in such measure as the Retail Trade Nationalization Law. Personally, I believe the law has, in effect, penalized the Chinese for their essential entrepreneur service which the average Filipino buyer has sought. And I also believe the law is detrimental to the economic well-being of the nation. The past year saw the adverse results of this law, with tax collections declining, unemployment increasing, commodity-distribution disturbed, foreign in-

vestment hesitant. I am sure our Filipino friends share the view that the law has many defects.

While the aftermath of World War II dramatized the effective role the Chinese in the Philippines played in the economic rehabilitation of the country, formal trade relations between the Philippines and China failed to develop to any degree. This was due largely to the difficult problems, both within and without, which China has been facing. But we are confident that this is a temporary calamity, only but a period in the expanse of recorded history. The people of China, as their history attests, have always overcome overwhelming odds, and it is only to be expected that in due time we will have a united China; the future will tell that China, a vast world market, once free, will usher in the golden era of Philippine-China trade. For the present, I take the view that we should seriously develop commerce between Free China,—Taiwan, and the Philippines.

Recent events have underscored the importance of Free China in Formosa to the security of the Philippines. It seems natural that we should strengthen relations between the Philippines and Free China in all fields of activity, including trade. Although the volume of trade between the Philippines and Formosa has been small, statistics show the trade balance is heavily in favor of the Philippines. The principal items of export from the Philippines are logs, timber, Manila rope, and leaf tobacco, but possibility exists for iron ore, pyrite ore, manganese, abaca, copra, and coconut oil, among other products. Formosa can export to the Philippines many products, including rice, tea, coal, textiles, steel sheets, aluminum, caustic soda, chemicals, paper, asphalt, and other items. Although both areas have similar economies, it can be seen that there are products which they can supply to each other. The neglect of trade between Formosa and the Philippines has been recently pointed out by many business editors here in the Philippines.

A good starting point can be made if a barter agreement between Free China and the Philippines is concluded. Great things grow from small beginnings. Trade between the Philippines and Free China now can very well be the beginning of important future commerce between the two countries, when the China mainland is recovered, and when China finally emerges as a great world market in international trade.

“AS for correcting the balance of trade . . . foreign trade, left to itself, will balance itself. It will balance itself for the simple reason that sellers insist on being paid for the goods they sell. What is unbalancing British trade now is exchange control. If the pound were set free it would seek the level that would balance imports and exports. A decline in the pound, for example, would raise the cost of imports, so discouraging and contracting them. It would increase the profit margin on British exports or reduce their foreign money cost, so encouraging and expanding them. Ironically, Chancellor Butler now gives as his reason for postponing free exchange rates the very unbalance of trade that is caused by the existing ban on free exchange rates.—HENRY HAZLITT in *Newsweek*, August 15.

The Future of Abaca*

By MERLE S. ROBBIE
Vice-President and General Manager, Columbia
Rope Co. of Philippines, Inc.



Abaca "luxies" being brought in from the abaca fields to be loaded on trucks and taken to the shed where the fiber will be extracted from them. It is from these luxies that all the useful fiber is obtained, with the remainder of the abaca stalk being unutilized at the present time. With today's production methods, the average percentage of useful fiber taken from a stalk amounts to only about 2% of the total weight.

I HAVE listened with great interest to many of the remarks which have been made during this two-day convention, and have read with keen interest all of the literature that has been distributed to the delegates. Let me state that there is no question but what the fundamental problem facing abaca producers in the Philippines today is the low price which they are receiving for their fiber. During the past day-and-a-half you have listened to a variety of theories as to what could be done to correct the price. Many of the proposals advanced are certainly worthy of further study. I am in complete agreement with Secretary Araneta's opening remarks that the only real problem remains the low price of abaca. The question thus evolves itself into why the price of abaca is so low and then, further, what can be done by the industry to correct that situation. It has been rather disappointing to learn that many of you feel that the only solution to this problem is through the establishment of a government corporation to trade in this material, which would conceivably operate on the basis of guaranteeing a minimum price to abaca producers. On

*From a speech delivered before the First National Convention of Abaca Planters, March 16, 1955.

this subject I have two principal thoughts. Firstly, it is my belief that we should exhaust all other possibilities for helping the industry before we give serious consideration to putting this Government or any government into business. The fundamental approach of the Eisenhower Administration in the United States and that of the Magsaysay Administration in the Philippines has been wherever possible to get the Government out of business. This has proved to be a wise economic policy in general. Therefore, I say again, let us, representing all the component parts of the abaca industry, make a thorough study as to what we can do to solve all of the problems facing us. We need the help of existing government agencies and probably a more enlightened view on their part toward the problems of the industry. But to me, it is still to be proved that the salvation of the abaca industry in the Philippines involves the establishment of a government corporation. Secondly, and most important, we come to the question of how such a government abaca corporation would operate. In the day-to-day business of buying abaca in the Philippines and selling it abroad, I can tell you very truthfully that the corporation would find it is by far the most competitive busi-

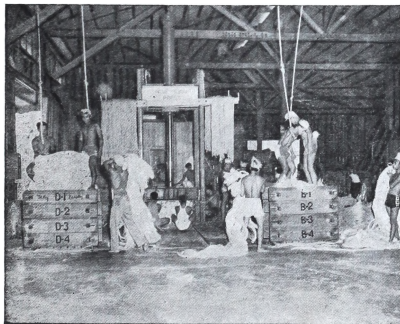
ness in the Philippines. Theoretically, its main purpose of operation would be to stabilize prices, and further competition at this time both in buying and selling would not help in this regard at all. We therefore come to the point which was the subject of considerable discussion yesterday morning,—that of a price-support for abaca by the Philippine Government. This could eventually prove to be a necessary and desirable feature, but before the Government decides to go ahead with this proposal, I think a considerable amount of economic study and research should be made. The question arises as to whether or not the Philippine Government can afford to subsidize the abaca industry in the Philippines, and whether or not, with the present position of Philippine abaca in world markets and the problems of the industry here, it would be a good investment for the Philippine Government. This and other problems of the industry I propose to discuss briefly with you here today.

FIRSTLY, I would like to comment on a few of the remarks which have been made by some of the previous speakers. Although I agree in principle with almost everything which has been said regarding the state of the industry, there is one point particularly to which I must take exception. That is the statement made by several that there is a big demand for abaca throughout the world today. This is, to my way of thinking, not a correct statement. If it were true, I can assure you that with the present production in this country you would have no concern about the price of abaca. To prove this point, I would like to cite to you just a few figures for some of the principal markets for abaca abroad. Let us analyze what for many years was the principal market for abaca abroad, namely, the United States market. From 1935 to 1938 the average consumption by the United States of Manila hemp ran in excess of 300,000 bales annually. This figure was actually exceeded during the years 1949 through 1952 when the annual consumption of Manila hemp was running in the vicinity of 450,000 bales per annum. In contrast to that, let us analyze the United States demand for 1953 and 1954. For 1953 the United States took just under 300,000 bales of Philippine abaca and during 1954 the total take was under 200,000 bales. Now let us turn to Japan, traditionally our second largest customer for Philippine abaca and today our first and most important customer. In 1953, Japan took 235,000 bales from the Philippines, whereas in 1954 it took only 218,000 bales. This compares with an average during the 1935-through-1938 period of in excess of 400,000

bales annually. In the case of the United Kingdom and the Continent of Europe, although their consumption has actually been increasing, their take from the Philippines is still considerably less than in the pre-war years. Analyzing all of these factors, how can any of us honestly say that there is a big demand for abaca in the world today? Such is not the case. There does, however, still exist a substantial demand for Philippine abaca and it is sufficient to keep a flourishing industry existing in the Philippines if we can meet and solve some of our problems. It is probably true that the industry should not be of the same size that it was during pre-war days because the world economy and world circumstances have completely changed. Before going on to other points, I would also like to comment briefly on a statement included in the report of the Abaca Committee appointed by the President last year which states that the world distribution of abaca is practically controlled by two firms, namely, Landauer & Co. in London and R. L. Pritchard & Co. in New York. This in my considered judgment is definitely not true. The two firms mentioned are probably two of the largest firms dealing in abaca today in the world and my firm has the privilege of dealing directly with both of these firms. At the same time, however, it cannot be stated that they control the distribution of abaca in the world. In the first place, R. L. Pritchard & Co. deals only in abaca in the United States and Canada and Landauer & Co. only in the United Kingdom and the Continent of Europe. Neither of them is involved in the distribution of abaca in Japan which is today our largest market. On the part of our Company, which is the largest exporter of abaca from the Philippines, there may be days on end where we do not sell any fiber to either of these two firms because other firms competing with them are able to pay us higher prices from time to time than either R. L. Pritchard & Co. or Landauer & Co. Therefore, on the face of it, I am sure that you will agree with me that the statement that those two firms control the world distribution of abaca and consequently the price, must be considered somewhat erroneous.

NEXT let us analyze what the reasons are for the present low price abroad and consequently to the producers here for Philippine abaca. In other words, why is there less demand for Philippine abaca today? Among the most important factors bringing this about I would list:

(1) The production of competing fibers is definitely at a level higher than it was before the war,—most important, the production of sisal in East Africa which produced



The baling gang preparing two bales to be pressed while one bale is being pressed at the same time. This is the newest installation in the Sasa Bodega in Davao City.



Workers piling up the bales of hemp after they have been pressed.

Photographs by V. G. Miller

121,000 long tons on a pre-war average and which is today averaging 181,000 long tons a year. This makes East Africa the No. 1 producer of hard fiber instead of the Philippines. Countries involved in the production of sisal in East Africa were not disrupted by World War II to the extent that the Philippines was, and consequently, their cost of production has not advanced to the same extent. They are consequently able to effectively undersell us in world markets. It is true that for many users sisal is nowhere nearly as desirable a fiber as abaca, but practically there has been and there will always be a relation in price between the two. In other words, abaca cannot sell at a price too much higher than sisal, or it then becomes more advantageous for the consumers to use sisal. In addition, we have lost a great part of our market for abaca in Europe to sisal, not only because of price, but because of exchange difficulties since the United Kingdom and other European countries do not have a plentiful supply of dollars at all times with which to buy abaca, whereas they are in a better position as regards sterling which they can use to purchase British East African sisal. Japan has also had problems with the balance of payments and with a dislocated economy which has cut its consumption of Manila hemp. Now in regard to the situation in the United States the reason for a much lower demand there is two-fold. Firstly, in the last two years there has been a cessation in the buying by the United States Government of the Philippine abaca for stockpiling purposes. In addition, at the same time that it discontinued stockpiling Philippine abaca it also took Central American production of abaca into the open market in the United States in direct competition with the fiber from the Philippines.

At this time I think it desirable and advisable to discuss honestly and objectively the government situation regarding Central American abaca and its marketing. This project was started by the United States Government prior to World War II on the grounds that the fiber was needed for strategic and logistical reasons in the event the United States should be cut off from the Philippines. This definitely proved to be the case and the plantings which were made in Central America proved to be a life-saver in the war-time economy of the United States during World War II. In the years immediately following the cessation of war activities in 1945, the Government decided, as the world situation continued tense, to stockpile various strategic materials including abaca. The objective volume-wise toward which the Government is working is not known to any of us people in the trade, but we do know that a very substantial volume was involved. This program continued until 1953 and not only added considerably to the demand for Philippine abaca, but the greater part of the Central American production was also going entirely into the stockpile, directly or indirectly. We now come to the situation where buying for the stockpile was discontinued by the United States Government. At the same time the decision to this effect was reached, it was also decided to market the Central American production competitively in the United States market. This had a combined effect on the total world abaca market of making about 300,000 bales additional available for purchase by consumers, and, consequently, the inevitable happened and prices in general since that time declined. In our discussions about the procedure being followed by the United States Government in marketing Central American abaca, one point should be made very clear and that is that all of this fiber is de-corticated fiber. As such it is most directly in competition with Davao abaca and not with Bicol and Leyte, and when we freely make the statement that our abaca is better than Central American abaca, this is certainly not true when you consider that approximately 35% of our total non-Davao production falls into the grades G and below. For

many years the price of Davao J1 has been used as the criterion for the market either locally or abroad. Therefore, the situation is today in New York that in order to market Central American abaca, they have decided that the price should be 1/2 of 1 cent per lb. below the last selling price of Davao J1. This indeed puts us as exporters in a most difficult position, inasmuch as even if we wish to reduce our price in New York in order to make selling progress, that Central American abaca is still selling 1/2 of 1 cent lower than our price. In addition, there is a large inventory presently in warehouses in New York of Central American abaca and therefore, the smaller manufacturers in the United States can get delivery in a much shorter period of time from the Government than they can if they place orders for shipment from the Philippines. This has resulted in another unfair feature of the marketing program which means in actuality that it is no longer necessary for any rope manufacturer in the United States to keep as large an inventory as he did previously, as the Government is doing this for him. I do feel that this system of marketing is unfair to the producers in the Philippines and that active intercession should be taken by your Government on your behalf.

LET us now turn for a moment to the factors contributing to the high cost of production in the Philippines. In this category I would list—

1. Implementation of the Minimum Wage Law.
 2. Over-all cost,—increased cost of fuel, equipment, and transportation.
 3. Applying particularly to the Davao area, the cost of mosaic-disease control.
- These are indeed hard factors to counteract, and although it is easy for us to state that we must reduce our cost of production, it is a most difficult thing to do under presently existing conditions in this country.

LET us turn to the position which we as exporters of abaca abroad find ourselves. Our interest in this whole problem of abaca prices and marketing and production is just as great as that which any of you have. Our primary object in being in the abaca business is to pay to producers in the Philippines just as high a price for fiber as is commensurate with the prevailing prices in world markets, allowing for ourselves a very nominal margin of profit, and I can advise you very honestly and definitely that this nominal margin of profit has not prevailed for the exporters in recent months. Ours is a tough competitive business and no one realizes better than the exporters as a group that if the overseas prices are not high enough to allow the payment of prices above the cost of production in the Philippines that we are faced with a considerable decline in the industry as a whole here in this country. The statement has been, made that the margin between overseas selling prices and local buying prices has widened during the past several years. If you will carefully analyze figures issued by your own Government, you will see that this is not true. Instead, the spread between overseas selling prices and local buying prices has narrowed during the last few years and the most interesting part of this is that it has narrowed during the period when our expenses as exporters have been steadily advancing. The implementation of the Minimum Wage Law has actually advanced our cost even more than that it has your costs as producers since our laborers are classified as industrial, not agricultural. We have had increased government charges levied on us. The Fiber Inspection Service fee has been increased, export taxes have been levied in certain areas in which we all operate, and also warehousing taxes have been levied. We have to cope with what I consider unnecessary procedures in dealing with various government bureaus. For example, we have to secure permission to export abaca to the United States, to Japan, or to England, from the Export Control Committee. Exporters here of abaca are not in-

NOTE: A long ton of sisal is approximately equal in weight to 8 bales of Manila hemp.

terested in selling to Russia or other Communist countries and it certainly seems to me that a policy could be laid down by your Government authorizing the export of abaca to a selected list of countries, such authorization to be granted without red tape and unnecessary expense. All of these things are not too large in themselves, but they combine to add greatly to our cost of doing business. The expenses of our Company alone in securing necessary permits to export abaca from the Export Control Committee amount to ₱12,000 yearly covering shipments of fiber to friendly countries.

WE come to the question as to what can be done by producers and exporters to help reduce our cost of producing and processing abaca fiber for export to the world markets. Insofar as the producers are concerned, it would indeed be helpful if the cost of transportation could be cut for them. The road-building program which your Government is undertaking should help in this regard. I know of many new producers in South Mindanao who have to pay ₱6 to ₱8 per picul to get their fiber into exporters' warehouses. Whether or not labor costs could be reduced is a subject on which I do not care to dwell because it is a very controversial issue at the moment. The fact does remain, however, that implementation of the Minimum Wage Law has certainly raised the cost of placing a bale of Philippine abaca abroad. One point at which producers can do something to help themselves is in improving the quality of their product. I know from personal experience in 1940 and 1941 in Davao that the average price received by the planter for his production in nearly all cases approximated the price of Davao J1. Today the average price which he receives is ₱2 to ₱3 lower than the price of J1. Now in the non-Davao areas, we know that of the grades G and below produced, that they are in direct competition with sisal to a much greater extent than the better grades. And when we consider that of the total non-Davao production last year, nearly 40% fell under this category, you can see that all of our abaca is not really a quality product and could be improved considerably. Exporters themselves should try to improve their baling methods. We are still baling hemp in the same way basically that we did 50 years ago. There is no doubt but what improvements can be made and in this we need the help of the Fiber Inspection Service. The Service should be flexible toward any plan brought before them by any exporter trying to change the packing or size of the bales so that the cost of processing can be reduced.

THERE are two other points which I should like to touch on briefly. One is the question of reducing the number of grades. In this regard please remember, and I think all of you producers will know exactly what I mean, that if I and J1 were combined and you were to get the same price for your product that you would no longer produce I, but you would produce J1. This would result in the disappearance of the higher of the two grades combined, and I am not sure that this would be to the best advantage of the industry. A committee has been appointed to review this matter and I think that it should consider the whole picture very carefully. It is my view that many of the lower grades can be combined. Secondly, I would like to touch very briefly on the question of synthetic substitutes or man-made fiber in competition with vegetable fiber such as abaca. As yet you do not have too much to worry about in this connection. Of all the synthetic fiber produced in the United States in 1952 only an infinitesimal percentage found its way into the production of cordage and twine. Only 750 tons out of a total of 65,000 tons found its way into production of cordage and twine. Nylon rope has some features which make it better than Manila rope, but Manila still has some advantages which nylon has not yet reached. The price of nylon rope remains nearly 3 times that of rope made from abaca. Of course, the greatest concern which we must feel is that, as production increases and manufac-

turing methods are improved, the cost of nylon and other synthetic fiber may be reduced greatly. Actually, however, this may be a blessing in disguise and ease the pressure on abaca and/or sisal in the long run. I say this because, as further declines take place in the price of nylon, there would then be increased demand for it for other purposes as the use of this material in apparel and household fabrics would be much greater than it is today.

IN closing my remarks I would like to leave with you a suggested program which I think would bring some positive results to the industry and also help to correct over a period of time the presently existing low level of prices. The program which I would recommend for your consideration involves 9 principal points which are as follows:

1. Organize yourselves into a powerful organization, capable of making itself heard on the matters affecting your industry. Various committees and individuals in the past have been aware of the competition from Central American abaca, but as yet I do not believe that any results have been secured. I am reliably informed that the Secretary of Agriculture is now taking action on this matter and I wish him the best of luck, but in the meantime it is up to you as producers to band yourselves together in an efficient organization to follow up on these problems.

2. Mosaic disease should be brought under control with the help of your Government. Possibly too much publicity has been given abroad to the problems of mosaic which certainly are serious enough, particularly in Davao, but on the other hand, you can be sure that the United States Government will not give up the Central American project as long as it continues to read headlines from the Philippines stating that the abaca industry here faces extinction as a result of present low prices and the spread of the mosaic disease.

3. An all-out effort should be made on the diplomatic front by your Department of Foreign Affairs to try to persuade the United States Government that its marketing policy in Central American abaca is unfair to Philippine abaca producers and to the Philippine economy.

4. With the assistance of the various departments and other entities of your Government, an all-out drive should be made on the part of producers to reduce their cost and improve the quality of their products.

5. An all-out campaign should be made to find why the strength of Philippine abaca, particularly from the Davao area, has been decreasing in recent years. We feel quite sure that a combination of factors has brought this about, but I can seriously tell you that it is true that the strength of fiber is not what it was before, and whereas in 1940 and 1941 when the first Central American sample shipments came into the United States they were calculated at lower tensile strength than Philippine abaca, today exactly the reverse is true. I understand your Government in collaboration with the United States Government through the U.S. Foreign Operations Administration (FOA) is now proposing to carry out such tests here in the Philippines, and we, as exporters and producers, should do everything possible to help them.

6. We should attempt to create more demand for Philippine abaca. We should give wider publicity to our industry here. Our Company has recently completed a movie of the abaca industry showing the entire process from the cleaning of the fields until the fiber is eventually placed on the ocean freighter on its way to overseas destinations. This has already been shown to some of our consumers in various places in the world, and I hope that I shall soon be able to show it to all of you. It has been illuminating to overseas consumers to learn of the large amount of work which actually goes into the production of one bale of abaca. Under government sponsorship in cooperation with exporters and producers, we should officially invite more of the leading consumers from all over the world to come here

and visit the Philippines at their own expense, but under the sponsorship of the abaca industry. Lastly, in this connection, we should investigate thoroughly the possibility which I think affords an opportunity for us today, and that is of persuading the United States Government to increase its stockpile of abaca in trade for part of the agricultural surpluses. I believe this precedent has already been established with other countries. It is true that the United States Government is trying very hard to dispose of the immense quantities of agricultural surpluses which it has acquired under the subsidy program, but by and large, it is trying to do this without interfering with normal trade channels. There was talk at one time of sizable shipments of surplus American rice coming to the Philippines. I understand that this project was dropped because of the objections raised by Far Eastern countries, namely, Burma, Pakistan, and Indo-China, all of whom normally export rice to the Philippines. Therefore, my suggestion would be that we attempt to work out a triangular transaction whereby the United States Government sends grain, for example, in the amount of \$5,000,000 to Pakistan; Pakistan in turn to send rice to the Philippines in the same value, and the Philippines in turn to send abaca to the United States

Government in the same value to be stockpiled. This would be helpful to the economies of both the Philippines and Pakistan. It is a subject which warrants further study and investigation.

7. We as exporters of fiber should try to reduce our costly baling methods in which there has been basically no change during the past 50 years. We should be helped in this by the Philippine Government and particularly by the Fiber Inspection Service.

8. All efforts should be made to maintain the quality of abaca exported from the Philippines at a very high level. Frankly, the quality, grade for grade, of abaca in the Philippines is not as good as it was prior to World War II.

9. If some of the proposals which I have outlined earlier cannot be brought actively to the attention of the parties concerned in the Philippine and United States Governments, I think that the abaca industry in the Philippines should consider sending a delegation to Washington to negotiate with the Government authorities directly in behalf of the abaca industry and not to have the problems of the industry put in second or third place, after other seemingly more urgent problems at any particular moment.

AMERICAN CHAMBER OF COMMERCE OF THE PHILIPPINES

ESTABLISHED 1920

PURPOSES. The promotion and development of American trade, commerce, and industry in the Philippines and the Far East;

The provision of means for the convenient exchange of ideas in this promotion and development;

The cultivation of friendly relations between Americans and Filipinos and other peoples of the Far East;

The enrolment of all American citizens residing in the Philippines with a view to bringing about closer association in the achievement of the purposes set forth.

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Philippine Foreign Trade Statistics, 1954, Compared with 1953

Bureau of the Census and Statistics
(F. O. B. Value)

Item	1954		1953	
	Value (Pesos)	Percent distribution	Value (Pesos)	Percent distribution
Total Trade.....	1,727,452,851	100.00	1,695,908,258	100.00
Imports.....	903,271,326	52.29	894,678,748	52.76
Exports.....	824,181,525	47.71	801,229,510	47.24
Balance of Trade:				
Unfavorable....	79,089,801		93,229,510	

I. TWENTY PRINCIPAL IMPORTS: 1954 COMPARED WITH 1953

Article and Country of Origin	1954	1953
	Value (Pesos)	Value (Pesos)
Total Imports.....	903,271,326	894,678,748
1. Cotton and manufactures.....	127,770,802	119,422,950
United States.....	106,965,098	104,678,246
Japan.....	10,583,032	7,318,344
Hongkong.....	5,860,222	3,981,980
Great Britain.....	1,341,090	1,017,138
France.....	1,014,932	629,930
Switzerland.....	758,716	319,646
China.....	692,346	850,332
British Borneo.....	129,420	15,646
Belgium.....	121,608	68,540
Other countries.....	303,338	543,148
2. Mineral Oils (petroleum products).....	84,865,554	75,133,500
Indonesia.....	42,013,620	39,507,096
Arabia.....	17,808,548	10,612,224
Bahrain Islands.....	12,733,556	14,173,444
United States.....	12,201,822	10,592,690
Malaya.....	82,262	244,754
Guam.....	19,454	—
Great Britain.....	3,784	2,468
Hongkong.....	1,538	82
Other countries.....	970	742
3. Iron and Steel and manufactures.....	72,965,666	70,248,936
United States.....	31,592,672	33,754,500
Japan.....	18,342,342	24,163,472
Belgium.....	8,824,495	3,963,265
Germany.....	5,647,582	2,129,390
France.....	3,173,896	1,424,928
Great Britain.....	2,691,226	1,810,932
Netherlands.....	885,320	989,532
Luxemburg.....	526,876	497,578
Australia.....	373,212	234,582
Other countries.....	908,044	1,280,756
4. Automobiles, parts of and tires.....	62,268,387	63,130,162
United States.....	59,749,768	62,611,856
Japan.....	1,178,044	85,990
Great Britain.....	813,377	260,434
Germany.....	281,886	19,158
France.....	50,646	72,254
Italy.....	39,392	68
Hongkong.....	33,480	6,700
Porto Rico.....	27,726	—
Spain.....	26,426	26,510
Other countries.....	61,824	47,192
5. Machinery and parts, except agricultural and electrical.....	60,740,434	59,221,632
United States.....	47,905,484	50,705,316
Great Britain.....	4,270,678	2,366,496
Germany.....	2,703,636	1,718,188
Japan.....	2,464,418	1,361,648
Netherlands.....	820,580	344,132
Sweden.....	620,486	595,948
Hongkong.....	391,922	724,886
Hawaii.....	303,402	388,400
Canada.....	284,230	133,624
Other countries.....	975,598	882,994

6. Grains and preparations.....	54,299,882	46,164,462
Canada.....	23,951,638	21,738,374
United States.....	19,469,200	22,361,682
Pakistan.....	5,354,366	—
Thailand.....	2,954,114	46
Hongkong.....	864,236	536,516
Denmark.....	622,620	397,652
Australia.....	527,814	161,616
Germany.....	156,474	486,876
China.....	216,926	237,444
Other countries.....	182,834	244,256
7. Dairy products.....	46,028,134	45,736,126
United States.....	30,249,862	37,724,782
Netherlands.....	12,024,966	4,696,506
Australia.....	1,725,002	1,679,346
Switzerland.....	999,064	839,942
New Zealand.....	785,862	463,658
Denmark.....	113,140	122,372
Sweden.....	88,174	40,852
Canada.....	16,690	91,826
Great Britain.....	9,468	24,784
Other countries.....	16,086	52,058
8. Paper and manufactures.....	38,328,762	36,875,962
United States.....	33,401,374	32,770,496
Canada.....	2,046,016	1,164,514
Japan.....	496,986	453,942
Spain.....	392,432	229,772
Netherlands.....	291,288	206,586
Great Britain.....	245,676	276,300
Sweden.....	242,980	276,300
France.....	183,090	139,408
Germany.....	176,124	226,850
Other countries.....	852,796	1,250,396
9. Chemicals, drugs, dyes and medicines.....	38,230,522	36,866,702
United States.....	31,479,898	32,661,252
Great Britain.....	1,531,474	1,117,500
Switzerland.....	837,564	885,614
Germany.....	810,750	493,854
Japan.....	523,764	246,440
Netherlands.....	502,800	218,720
Panama Canal Zone.....	462,362	—
Canada.....	431,304	137,590
France.....	375,580	328,678
Other countries.....	1,275,026	777,054
10. Rayon and other synthetic textiles.....	38,185,072	52,212,102
United States.....	31,106,480	50,315,588
Japan.....	6,538,310	1,175,106
Great Britain.....	165,328	28,446
Hongkong.....	153,450	71,892
Switzerland.....	64,646	58,282
France.....	48,920	25,354
Germany.....	39,816	4,460
Sweden.....	23,898	11,824
Belgium.....	10,018	900
Other countries.....	34,406	20,250
11. Electrical machinery and appliances.....	37,349,402	30,343,788
United States.....	30,949,360	28,764,822
Canada.....	1,568,976	33,988
Japan.....	1,538,680	351,822
Germany.....	1,327,054	282,670
Great Britain.....	454,880	164,126
Netherlands.....	363,190	321,338
Hongkong.....	339,444	120,652
Norway.....	297,774	—
France.....	130,180	9,774
Other countries.....	379,864	294,596

12. Tobacco and manufactures.....	19,159,220	27,655,248	19. Cocoa, Coffee and Tea.....	9,778,650	8,773,000			
United States.....	19,133,122	27,524,156	Great Britain.....	2,370,774	1,387,160			
Belgium.....	12,614	—	United States.....	2,113,236	2,934,570			
Indonesia.....	12,432	—	Ceylon.....	1,508,512	1,481,626			
Hongkong.....	474	128,916	Ecuador.....	1,235,916	662,684			
Other countries.....	578	2,176	Brazil.....	1,116,952	829,770			
13. Vehicles, except automobiles.....	15,889,492	16,360,294	Colombia.....	487,512	261,086			
United States.....	12,904,658	13,831,786	Hongkong.....	294,112	419,250			
Germany.....	791,600	510,138	El Salvador.....	136,376	13,210			
Great Britain.....	776,832	261,236	China.....	126,172	285,838			
Japan.....	532,836	515,140	Other countries.....	389,288	497,806			
Australia.....	412,438	952	20. Fertilizers and fertilizing materials.....	9,565,650	19,224,974			
Belgium.....	242,382	615,024	United States.....	4,797,392	9,670,832			
Hongkong.....	47,886	30,556	Netherlands.....	2,270,652	3,816,328			
Sweden.....	44,256	3,288	Canada.....	2,119,520	714,814			
Canada.....	37,498	—	Italy.....	410,784	174,146			
Other countries.....	99,106	592,184	Germany.....	337,644	2,064,544			
14. Non-ferrous metals, except precious.....	15,022,218	14,218,206	Belgium.....	260,396	1,178,440			
United States.....	10,787,702	10,700,225	Japan.....	223,860	1,020,306			
Germany.....	1,243,156	1,023,800	Other countries.....	45,442	585,564			
Japan.....	850,014	754,078	Other Imports.....	123,102,883	117,436,558			
Hongkong.....	480,180	299,834	II. TWENTY PRINCIPAL EXPORTS: 1954 COMPARED WITH 1953					
Malaya.....	405,094	339,986		1954	1953			
Sweden.....	282,066	50,770	Article and Country of Destination	Unit	Quantity	Value (Pesos)	Quantity	Value (Pesos)
Switzerland.....	266,032	198,252	Total Exports.....		824,181,525		801,229,510	
Great Britain.....	216,184	128,746	Domestic Exports.....		799,581,915		797,265,592	
Belgium.....	115,314	39,906	Re-Exports.....		24,599,610		3,963,918	
Other countries.....	376,476	702,504	1. Copra..... kilo	765,065,495	257,283,984	599,686,187	232,440,418	
15. Fish and fish products.....	14,629,536	19,909,194	United States.....	294,092,690	98,743,321	314,465,737	124,401,373	
United States.....	8,364,402	16,243,286	Netherlands.....	178,993,397	61,573,104	73,578,541	28,391,817	
British Africa.....	2,705,280	1,295,608	Germany.....	48,768,000	16,754,209	19,112,157	6,851,340	
Japan.....	1,994,232	231,774	Denmark.....	48,768,028	14,781,523	35,822,962	13,551,843	
Portugal.....	410,724	319,266	Colombia.....	37,918,504	12,105,665	22,369,748	8,486,898	
Canada.....	298,022	60,462	Venezuela.....	31,756,712	10,878,887	30,374,434	11,603,383	
Hongkong.....	289,038	287,298	Norway.....	27,984,747	9,878,877	10,718,800	3,979,535	
Denmark.....	267,212	10	Belgium.....	25,257,840	9,031,015	26,303,042	9,751,356	
Mexico.....	112,356	49,564	Italy.....	17,068,800	5,790,544	10,053,320	3,798,399	
France.....	44,592	5,330	Switzerland.....	15,951,200	5,470,548	27,649,424	10,788,193	
Other countries.....	143,678	1,416,396	Other countries.....	38,505,620	12,788,341	29,238,022	10,835,901	
16. Meat and meat products.....	13,317,310	6,749,934	2. Sugar..... kilo	928,705,439	214,351,124	785,826,780	193,571,671	
United States.....	6,589,656	2,674,886	United States.....	912,100,293	210,483,087	784,961,087	193,563,734	
Argentina.....	3,584,976	2,688,874	Japan.....	16,541,615	3,841,314	838,000	206,740	
Australia.....	1,671,944	432,766	Guam.....	62,120	25,689	21,224	9,485	
Uruguay.....	531,318	488,350	Hawaii.....	1,325	1,000	6,377	1,680	
New Zealand.....	340,822	11,866	Malaya.....	75	30	—	—	
Hongkong.....	242,096	30,296	Great Britain.....	—	—	—	—	
Netherlands.....	148,360	156,878	Israel.....	—	—	92	32	
Great Britain.....	49,810	20,890	3. Logs, lumber, and timber.....bd.ft.	611,872,883	68,859,024	589,583,366	62,581,005	
Brazil.....	38,828	38,828	Japan.....	470,819,512	47,171,640	452,522,801	42,207,067	
Other countries.....	119,590	245,128	United States.....	69,307,859	13,018,151	104,329,688	15,801,110	
17. Miscellaneous metals and manufactures.....	11,675,526	18,693,374	Korea.....	28,045,747	2,774,829	4,662,408	115,483	
United States.....	10,820,884	17,771,396	Taiwan.....	28,699,515	2,587,348	12,029,488	1,162,248	
Japan.....	346,618	171,380	British Africa.....	6,392,187	1,857,062	4,959,463	1,375,028	
Germany.....	178,248	184,328	Hawaii.....	2,181,022	557,798	1,568,393	399,539	
Hongkong.....	162,076	67,270	Hongkong.....	4,637,377	352,614	7,562,756	627,376	
Sweden.....	44,334	51,826	Canada.....	766,138	192,160	437,682	87,461	
Canada.....	27,954	87,816	Belgium.....	520,738	176,248	295,412	100,004	
Great Britain.....	27,944	11,920	Ireland.....	201,612	50,516	156,566	113,666	
Italy.....	23,204	24,114	Other countries.....	306,176	120,658	778,709	292,643	
Netherlands.....	18,210	12,536	4. Abaca, unmanufactured.....bale	766,358	52,097,649	848,449	75,304,242	
Other countries.....	26,054	310,788	United States.....	191,827	15,191,747	283,412	29,440,956	
18. Leather and manufactures.....	10,098,224	10,301,644	Japan.....	228,743	14,145,606	240,312	19,279,888	
United States.....	9,473,030	9,352,646	Great Britain.....	107,642	7,313,022	106,679	8,937,997	
India.....	276,644	635,368	Germany.....	32,949	2,222,223	35,414	2,982,255	
Australia.....	221,538	245,626	Netherlands.....	34,185	2,000,163	31,274	2,384,550	
Great Britain.....	39,848	12,642	Belgium.....	28,514	1,776,394	25,626	2,054,993	
Japan.....	16,650	17,070	France.....	30,203	1,654,889	37,608	2,612,319	
Hongkong.....	9,326	9,324						
Germany.....	11,548	10,518						
Netherlands.....	10,572	6						
Luxemburg.....	9,638	—						
Other countries.....	25,530	18,444						

Norway.....	16,594	1,358,126	16,265	1,598,808	13. Molasses... kilo	207,527,964	6,315,242	175,386,368	4,774,359
Korea.....	15,090	1,187,673	1,328	111,998	Japan.....	147,856,844	4,843,578	103,982,520	2,890,677
Denmark.....	11,045	684,840	14,699	1,203,835	United States...	30,907,752	681,357	7,151,014	149,787
Other countries..	69,566	4,562,966	55,831	4,697,543	Hongkong.....	10,430,000	332,380	4,420,000	133,800
5. Base metals and concentrates..... kilo					Great Britain...	12,469,368	276,143	18,269,736	347,125
Japan.....	1,326,307,945	23,999,630	1,242,859,315	23,661,902	Thailand.....	5,364,000	166,284	—	—
United States...	441,184,865	15,712,206	483,113,153	21,666,455	Korea.....	500,000	15,500	41,563,098	1,252,970
Canada.....	8,128,000	240,000	5,080,000	150,000	14. Abaca manufactures.....				
Spain.....	101,600	11,200	218,440	16,057	United States...	—	4,244,995	—	5,074,550
Taiwan.....	—	—	98,000	7,370	United States...	—	1,798,862	—	2,586,886
6. Coconut oil..... kilo					Malaya.....	—	885,356	—	890,575
United States...	64,285,288	32,720,175	59,538,421	34,472,531	Indonesia.....	—	309,136	—	581,422
British Africa...	649,005	340,608	513,577	262,553	Indo-China.....	—	268,777	—	—
Netherlands...	508,024	239,970	—	—	Peru.....	—	154,509	—	58,561
Cuba.....	304,800	184,740	—	—	Porto Rico.....	—	132,071	—	118,431
Egypt.....	6,882	103,235	—	—	Hawaii.....	—	122,031	—	114,692
Lebanon.....	165,141	99,999	—	—	Thailand.....	—	100,704	—	148,485
Guam.....	6,810	6,744	9,653	8,496	Other countries..	—	83,273	—	—
British Oceania..	1,300	1,133	—	—	Kongkong.....	—	72,613	—	71,890
Japan.....	243	200	—	—	Other countries..	—	317,663	—	503,608
Other countries..	—	—	972,646	543,924	15. Gold.....F. oz.				
7. Desiccated coconut..... kilo					United States...	148,421	3,204,278	116,020	4,832,715
United States...	46,840,837	27,212,900	49,543,285	31,461,831	United States...	—	23,871	1,624,178	38,841
United States...	46,694,486	27,123,398	49,318,657	31,315,955	Great Britain...	—	24,550	1,580,100	77,179
Canada.....	99,135	60,420	170,723	108,660	16. Chemicals.....				
Hawaii.....	40,513	24,682	38,011	26,240	United States...	—	2,945,128	—	2,329,855
Colombia.....	4,535	2,900	—	—	United States...	—	2,662,427	—	3,167,038
Hongkong.....	2,068	1,500	9,545	5,586	Belgium.....	—	130,368	—	—
Japan.....	—	—	6,349	5,390	Netherlands...	—	130,368	—	—
8. Embroideries (cotton, silk, linen).....					Thailand.....	—	212	—	35,117
United States...	—	23,213,079	—	18,496,123	Guam.....	—	210	—	700
United States...	—	23,209,044	—	18,495,428	Indo-China.....	—	150	—	—
Japan.....	—	1,578	—	689	17. Shells and manufactures.....				
Guam.....	—	1,315	—	—	United States...	—	2,703,941	—	2,431,024
Canada.....	—	831	—	—	United States...	—	2,400,362	—	2,338,194
Hawaii.....	—	311	—	6	Japan.....	—	224,167	—	44,168
9. Concentrates (containing gold, copper, and silver)..... kilo					Germany.....	—	63,932	—	46,747
United States...	60,832,347	22,122,620	63,010,603	24,490,532	Hongkong.....	—	9,400	—	—
United States...	60,832,347	22,122,620	63,010,603	24,490,532	Netherlands...	—	5,400	—	—
United States...	35,023,735	9,387,747	81,271,868	24,386,731	Hawaii.....	—	660	—	190
United States...	35,023,735	9,387,747	81,268,118	24,385,531	Switzerland.....	—	20	—	—
Hongkong.....	—	—	3,750	1,200	Sweden.....	—	—	—	866
11. Tobacco and manufactures.....					Mexico.....	—	—	—	851
Spain.....	—	8,726,544	—	9,539,199	Guam.....	—	—	—	8
United States...	—	5,961,589	—	5,273,411	18. Rattan and manufactures.....				
United States...	—	872,762	—	1,528,273	United States...	—	1,610,613	—	1,799,960
Indo-China.....	—	453,276	—	662,677	United States...	—	1,258,176	—	1,402,420
Belgium.....	—	448,831	—	717,025	Guam.....	—	133,764	—	57,711
Netherlands...	—	212,587	—	647,840	Hawaii.....	—	53,931	—	114,128
Morocco.....	—	183,479	—	95,050	Panama Canal Zone.....	—	39,290	—	35,458
Hongkong.....	—	172,624	—	174,521	Venezuela.....	—	36,495	—	47,267
Hawaii.....	—	161,705	—	140,287	Panama, Republic of.....	—	30,799	—	24,469
French Africa...	—	132,089	—	147,008	Arabia.....	—	10,222	—	—
Japan.....	—	57,005	—	67,798	Dominican Republic.....	—	7,511	—	8,979
Other countries..	—	70,597	—	85,309	Porto Rico.....	—	7,300	—	27,430
12. Copra meal or cake..... kilo					Canada.....	—	6,984	—	13,450
United States...	71,098,742	7,485,051	69,023,229	8,457,183	Other countries..	—	26,141	—	68,648
United States...	54,134,396	5,498,523	60,119,043	7,426,595	19. Beer..... liter				
Denmark.....	12,210,100	1,503,041	1,526,256	156,850	2,912,181	1,667,313	3,440,208	1,725,477	
Hawaii.....	2,812,661	292,972	2,869,225	378,514	Guam.....	1,102,412	651,588	958,939	475,687
Netherlands...	914,400	89,200	—	—	Japan.....	729,372	413,909	358,200	180,000
Belgium.....	711,200	70,000	3,356,559	366,839	Korea.....	600,200	324,250	1,775,547	880,449
Germany.....	200,000	17,600	1,117,600	124,600	United States...	136,363	104,400	108,809	81,000
Guam.....	56,625	7,244	—	—	Hawaii.....	189,589	85,800	204,582	90,900
Panama Canal Zone.....	45,358	4,750	—	—	Malaya.....	64,470	31,968	—	—
Hongkong.....	14,002	1,721	34,546	3,785	Thailand.....	36,244	21,777	908	529
20. Scrap metals..... kilo					Taiwan.....	37,420	20,870	13,257	7,165
Japan.....	8,314,480	1,291,337	8,934,456	1,695,600	Spain.....	7,264	7,600	7,000	3,800
United States...	7,122,000	679,520	7,060,000	749,934	Burma.....	4,761	2,885	—	—
United States...	1,192,480	611,817	1,874,456	945,666	Other countries..	4,086	2,266	12,966	5,947
Other Exports including Re-Exports					35,799,096				
								13,964,928	

The Business View

A monthly review of facts, trends, forecasts, by Manila businessmen

The Government

From Official Sources

JULY 1—President Ramon Magsaysay held a conference with Democratic Party leaders, including Senator Fernando Lopez, acting DP President, Secretary of Commerce Oscar Ledesma, Economic Administrator Alfredo Montelibano, Senator Lorenzo Sumulong, and Representatives Jose Roy, Jose Aldague, and Lucas Paunaga. Later he presides over a conference of Nationalista leaders in Congress, including Senate President Eugenio B. Lopez, Sr., Speaker Jose B. Laurel, Jr., Speaker protempore Daniel Romualdez, Senate Majority Floor Leader Cipriano Primicias, House Majority Floor Leader Arturo M. Tolentino, Governor Decoroso Rosales of Samar (President of the Governors and City Mayors League), Press Secretary J. V. Cruz, and Legislative Secretary Jose Nable.

The President issues Proclamation No. 170 calling the Congress of the Philippines into a Special Session to start on July 7 and to continue to consider the enactment of the following measures and such others as he may submit: (1) the Land Tenure Bill, (2) the Public Works Bill, (3), the bill to amend the Home Financing Act; (4) the Foreign Investment Bill; (5) the bill amending the provisions in the Administrative Code regarding rural (barrio) councils; (6) the bill to amend the Act creating the Court of Agrarian Relations; (7) the bill to amend the Election Law; (8) the bill to increase the capital of the National Power Corporation; and (9) the Bill to prohibit so-called "no-dollar" imports under certain conditions.

The President signs Executive Order No. 119 abolishing the National Economic Council, the Philippine Council for United States Aid, the Economic Planning Board, and the Tariff Commission, and establishing a new National Economic Council (under Government Reorganization Plan No. 10 on Economic Planning) which will consist of the

Council proper, the Office of the Chairman, and three Staff Offices,—the Office of National Planning, the Office of Foreign Aid Coordination, and the Office of Statistical Coordination and Standards. The National Economic Council will be composed of 11 members: a full-time Chairman with Cabinet rank, salary P25,000; as Vice-Chairman, the Chairman of the National Development Authority, if and when created; 2 ex-officio members to be designated by the Speaker from the membership of the House; 2 ex-officio members to be designated by the President of the Senate from its membership; the Governor of the Central Bank; the Chairman of the Rehabilitation Finance Corporation; 3 other members to be appointed by the President with the consent of the Commission on Appointments.

July 2—Announced at Malacañang that President Magsaysay, after a conference with Vice-President and Secretary of Foreign Affairs Carlos P. Garcia, asked Ambassador Felino Neri to confer with Ambassador Homer Ferguson regarding the accuracy of reports published in the press that "some Filipinos are being mistreated on the American naval base at Olongapo"; the announcement states the President took this action despite the fact that no such complaints had been lodged either with Malacañang or the President's Complaints and Actions Commission.

The President pays tribute to former President Elpidio Quirino on the occasion of the awarding of a Presidential Medal of Merit and Certificate bestowed on him under the auspices of the Civic Assembly for Women of the Philippines under the Presidency of Legarda, President; Miss Helen Z. Benitez, Chairman of the Committee on Awards. The President states that through the Award he was "expressing for all our people the gratitude and appreciation that I know they feel for the many years of service that President Quirino dedicated to their happiness and well-being." Mr. Quirino being unable to be present, he sent his daughter and son-in-law, Mr. and Mrs. Luis Gonzalez, and his son Tomas to represent him. Others who received similar awards were General Emilio Aguinaldo (for service to the nation); Prof. Francisco

III. TOTAL TRADE, BY COUNTRIES, 1954

Country	Total Trade	Percent distribution	Imports	Percent distribution	Exports	Percent distribution
Total	1,727,452,851	100.00	903,271,326	100.00	824,181,525	100.00

United States	1,105,659,674	64.01	605,519,906	67.04	500,139,768	60.68
Japan	156,400,444	9.04	55,502,690	6.14	99,597,754	12.12
China	85,409,244	4.94	18,507,520	2.05	66,901,724	8.11
Indonesia	43,483,969	2.52	43,013,282	4.76	4,707,687	0.56
Canada	37,193,481	2.15	30,487,870	3.39	6,672,348	0.80
Germany	37,193,142	2.15	16,520,794	1.84	19,672,348	2.39
Great Britain	29,597,647	1.71	18,644,101	2.06	10,953,546	1.33
Belgium	23,520,899	1.36	11,860,460	1.31	11,660,429	1.41
France	19,260,518	1.11	5,888,022	0.65	13,372,496	1.62
Arabia	18,465,994	1.07	17,811,742	1.97	654,222	0.08
Denmark	18,369,394	1.06	1,371,424	1.5	16,997,970	2.06
Hongkong	16,127,142	0.93	13,166,297	1.46	2,960,845	0.36
Bahrain Islands	13,053,181	0.76	12,766,620	1.41	286,563	0.03
Switzerland	9,910,876	0.57	4,397,982	4.9	5,512,894	0.67
Italy	8,346,028	0.48	1,894,346	2.1	6,451,682	7.8
Pakistan	7,450,447	0.43	2,549,942	2.8	4,900,505	5.9
Spain	7,450,447	0.43	1,169,506	1.3	6,269,020	7.6
Australia	6,362,711	0.37	9,539,302	1.06	403,409	0.05
British Africa	5,463,180	0.32	4,865,388	5.4	2,484,590	3.0
Sweden	4,930,770	0.29	2,167,350	2.4	2,763,220	3.4
Korea	4,458,880	0.26	4,094	0.00	4,454,786	5.4
Colombia	4,263,180	0.25	3,519,116	3.9	743,064	0.9
Taiwan	3,801,181	0.22	1,080,810	1.2	2,789,371	3.4
Argentina	3,651,106	0.21	3,354,492	3.7	456,614	0.5
Thailand	3,403,190	0.20	2,916,600	3.2	486,590	0.6
Hawaii	2,268,801	0.13	610,801	0.67	1,658,001	2.0
Malaya	1,953,289	0.11	788,212	0.87	1,127,477	14
Chile	1,880,204	0.11	1,092,204	1.2	788,000	0.9
Ceylon	1,588,774	0.09	1,588,778	1.8	16	0.00
Ecuador	1,437,030	0.08	1,223,578	1.4	181,452	0.2
Canada	1,409,489	0.08	48,884	0.05	1,213,605	15
Brazil	1,305,442	0.08	1,305,442	1.5	0	0.00
New Zealand	1,230,333	0.07	1,128,748	1.2	102,085	0.1
Lebanon	1,173,769	0.07	29,606	0.03	1,144,163	14
Indo-China	760,559	0.04	23,270	0.03	737,189	0.9
Philippines	651,970	0.04	3,270	0.00	748,700	9
British Borneo	653,425	0.04	619,372	0.7	34,453	0.4
Portugal	622,342	0.04	499,126	0.6	123,216	0.1
Zones	547,246	0.03	464,768	0.5	82,478	0.1
Luxembourg	544,254	0.03	544,254	0.6	0	0.00
Uruguay	531,460	0.03	531,460	6.0	0	0.00
Mexico	440,044	0.03	440,044	0.5	0	0.00
Panama	379,374	0.02	8,768	0.01	370,606	0.4
Republic of	341,432	0.02	0	0.00	341,432	0.4
Iraq	312,212	0.02	14,720	0.02	297,492	3.6
Puerto Rico	305,781	0.02	32,376	0.03	273,405	3.3
Austria	278,770	0.02	277,722	0.3	1,048	0.01
Dutch	200,000	0.01	0	0.00	200,000	0.2
Guinea	200,000	0.01	0	0.00	200,000	0.2

Morocco	198,672	0.01	14,948	0.02	183,724	0.02
Syria	194,162	0.01	6,762	0.00	187,400	0.02
French Africa	192,801	0.01	25,492	0.03	167,309	0.02
Cuba	182,130	0.01	1,130	0.00	181,000	0.02
Peru	161,477	0.01	0	0.00	161,477	0.02
Poland	157,986	0.01	157,986	0.02	0	0.00
Finland	150,088	0.01	128,098	0.1	22,000	0.00

IV. FOREIGN TRADE BY NATIONALITY OF TRADERS, 1954

Nationality of Total Trade Trader	Imports	Total Exports	Domestic Exports	Re-Exports
Total	1,727,452,851	903,271,326	824,181,525	799,981,915
American	541,750,058	232,556,020	309,194,038	301,428,516
Philippine	573,264,553	380,216,074	193,038,479	187,542,749
Chinese	363,312,824	216,803,038	147,449,786	147,317,986
British	110,429,397	56,632,314	34,096,613	33,991,616
Spanish	87,391,989	2,985,564	84,406,423	84,404,123
Danish	24,333,041	1,175,948	23,157,233	23,957,233
Swedish	10,409,263	6,669,210	620,653	616,923
Indian (Hindu)	2,987,947	2,979,996	7,951	6,267
Swedish	1,827,862	11,972	1,171,219	1,165,219
Czechoslovak	713,907	708,972	5,315	5,315
Dutch	1,792	1,792	0	0
Austrian	180,805	27,638	162,167	153,647
Canadian	950	18,266	0	8,520
French	184,266	18,266	0	0
Italian	10,830,282	39,282	10,800,000	10,800,000
Irish (Free)	35,136	28,724	6,412	6,412
Ecuadorian	1,912	1,912	0	0
Cuban	5,010	5,010	0	0
Portuguese	2,927	1,232	1,695	1,695
Japanese	660	8,862	0	0
Hungarian	79,155	18,316	60,639	60,639
Polish	1,294	1,294	0	0
Argentinian	10,096	10,096	0	0
Belgian	18,846	18,846	0	0
Jewish	102	102	0	0
Albanian	24,170	24,170	0	0
Bulgarian	10	10	0	0
Indonesian	2,140	2,140	0	0
Finnish	5,596	5,596	0	0
Malayan, Dutch	9,148	9,148	0	0
Thai (Siamese)	11,682	11,682	0	0
Indo-Chinese	394	394	0	0
Mexican	3,944	3,944	0	0
Australian	48,138	48,138	0	0
Syrian	18,356	18,356	0	0
Malayan, British	7,560	7,560	0	0
Persian	1,522	1,522	0	0
Egyptian	1,030	1,030	0	0
All other nationalities	240	240	0	0
68,406	65,766	2,640	1,450	1,190

Buenacmino, Sr., posthumous (for music); Dr. Marcos A. Tubungao, posthumous (science); Juan F. Nakpil (for architecture); Mrs. Remedios Ozamis-Fortich and Eugenio Margate (for agriculture); Dr. Luther B. Bewley and Dr. Gilbert S. Perez (for education); the family of Justice and Mrs. Alex Reyes (for being a meritorious family).

July 4 — Former President Sergio Osmeña delivers the Fourth of July address from the National Grandstand on the Luneta and in the evening President Magsaysay delivers a shorter address before the Philippine Columbian Association in the presence of the Philippine relationship with the United States. In the morning, the President and Mrs. Magsaysay received the chiefs of the diplomatic missions and their ladies in the Malacañang ceremonial hall. The President extends executive clemency to a total of 32 prisoners. Messages of congratulation on the 9th anniversary of Philippine independence are received from President Eisenhower and from the heads of state of many other countries.

July 5 — President Magsaysay receives former President and Mrs. Osmeña, who pay him a courtesy call. He also receives representatives of the Moral Rearmament Group which calls to say goodbye on behalf of its 180 members before leaving for Saigon. He also receives members of the Philippine delegation to the forthcoming 8th World Boy Scouts Jamboree at Niagara Falls, Canada.

July 5 — President Magsaysay and the Construction Ambassador Neri confers with Ambassador Ferguson on the Subic Bay Reservation case in the former's office in Malacañang; Mr. Ferguson welcomes an "on-the-spot" inquiry.

July 6 — At a meeting of the Cabinet, presided over by President Magsaysay, Secretary of Education Gregorio Hernandez, Jr., states that some 3000 extension classes will be opened as approved by Congress in this year's Budget and that he hopes to meet the needs of the President, in view of reports of a shortage in some of the islands of the Visayas, instructs Economic Coordination Administrator Alfredo Montelibano to have the NARIC import the remaining 50,000 tons of rice which remains unpurchased out of the 100,000 authorized to be purchased. The President directs Budget Commissioner Dominador Aytona to release ₱200,000 out of his contingent funds for continuing the anti-rat measures in Cebu. The Cabinet approves turning over to the Peace and Reconciliation Fund all proceeds of Philippine Charity Sweepstakes Office beginning with the latter part of 1953. The Cabinet also orders public bidding for the salvage of sunken scrap in Philippine waters from Lingayen Gulf to San Vicente, Cagayan, not covered by the Japanese salvage operations under the reparations plans; the Oceanic Salvage Corporation, Ltd. has offered to undertake the salvaging with 30% of the recovered scrap to go to the Government and return from all other salvages a total of 10% of the proceeds of the sale of submitting all such operations to public bidding.

July 7 — President Magsaysay receives two three-man committees from the Senate and the House respectively which inform him that the Special Session of Congress has opened.

The President receives Mr. and Mrs. William Hamme who have spent 31 years in the Philippines and call to pay their respects before returning to the United States to take up residence in California. Mr. Hamme first served as a superintendent of schools in the Bureau of Education and was later connected with Silliman University in Dumaguete.

The President visits the offices of the National Intelligence Coordinating Agency on the occasion of the 6th anniversary of the organization and praises its work.

July 8 — President Magsaysay confers with Filemon C. Rodriguez, the newly nominated Chairman of the National Economic Council; the President tells him that pending the confirmation of his appointment he should start on the job in an unofficial capacity.

July 9 — President Magsaysay directs the Monetary Board of the Central Bank to make drastic cuts immediately in the dollar allocations for non-essential consumer goods and to effect dollar economies in other categories of consumer goods, including invisible items like travel abroad, donations, gifts, etc. In 1953, the country's dollar receipts amounted to \$70,920,000, against disbursements of \$50,180,000, showing a reduction of \$9,260,000; in 1954, the dollar receipts amounted to \$572,610,000 as against disbursements of \$595,850,000, showing a drain of \$23,240,000. The Central Bank states that the increase in dollar disbursements for merchandise imports in the second semester of 1954 was due to increased importations of capital goods, machinery, equipment, and raw materials for new and necessary industries. In the first semester of 1955, the country's dollar receipts amounted to \$281,780,000 as against disbursements of \$334,880,000, showing a drain of \$53,100,000.

Malacañang announces that Ambassador Neri is scheduled to emplane for Olongapo on Monday, July 11, to look into the "reported mistreatment of some Filipinos on the American naval base"; he will be accompanied by Representative Enrique Corpus of Zamboale and they will be met at the base by Ambassador Ferguson and Admiral Hugh Goodwin.

Malacañang issues a press release on the subject of the passage in the U. S. House of Representatives of the Laurel-Langley Agreement on July 7; during the proceedings President Magsaysay was called a "stalwart leader of democrat who is the first man in Asia to defeat communism" by House Majority Leader John McCormack.

At a meeting of the Cabinet, presided over by President Magsaysay, Vice-President and Foreign Secretary Garcia strongly reiterates her recommendation for immediate Philippine recognition of Viet Nam which, he states, is "steadily progressing toward strong de-

mocratic government under the leadership of Premier Ngo Dinh Diem." The Cabinet approves Secretary Garcia's suggestion that the Philippines send an observer to the "Conference at the Summit" to be held in Geneva opening July 18, if the attendance of observers from other countries will be allowed; Mr. Garcia states he has already queried the U. S. State Department on the matter; if it is allowed, the Cabinet agrees to send Ambassador Salvador P. Lopez, now Philippine Ambassador to Paris.

The Cabinet approves the proposal of Secretary of Agriculture Salvador Araneta to purchase 5,000 tons of fertilizer from Japan to supplement the production of the Maria Cristina plant and also approves the purchase of 1,000 tons locally.

The President and Mrs. Magsaysay entertain Mrs. Perle Mesta, former United States Minister to Luxembourg, at a breakfast, also attended by Ambassador and Mrs. Ferguson and Social Welfare Administration and War.

July 14 — President Magsaysay informs Vice-President Garcia of his decision to extend recognition to the Government of South Viet Nam and directs him to implement the decision immediately; it is stated that the President's decision was prompted by the considerations that South Viet Nam possesses all the attributes of a sovereign independent state and has been recognized by no less than 47 countries; that recognition is in the interest of the Philippines; that the United States is a signatory of the Southeast Asia Collective Defense Treaty; that recognition would bolster the efforts of the free countries in Southeast Asia to put up a common front in the fight against the Communist menace in the area; and that the government of Premier Ngo Dinh Diem is deserving of support because of its success, despite great odds, in resisting both colonialism and communism.

July 14 — President Magsaysay reports from Collector of Internal Revenue Silverio Blaquera that the gross internal revenue collection for the fiscal year 1954-55 was ₱492,563,843.99 as compared to ₱462,579,522.94 for the preceding fiscal year.

Announced that Ambassadors Neri and Ferguson met again today and announced that the groundwork had been laid for a permanent solution to the Olongapo situation and that United States naval authorities had already instituted some reforms.

The President receives the newly-elected officers of the Manila Jaycees, headed by Carlos Palanca, who present him with a ₱1,500 check for the Liberty Wells Fund. He also receives a delegation from the Manila Lions, headed by Otilio Arellano, who inform him of a new Lions project to fight the "apparent moral decadence of the nation's youth". He receives, also, a group of University of the Philippines students who protest against the allegedly unfair dismissal of Andres Abjeo as Dean of the Philippine College of Education. He also receives a representative of the University, as recommended by a presidential investigating committee, and request a re-investigation. Representatives of the Knights of Columbus call on the President to express their support of Secretary of Education Hernandez' order relating to religious instruction in the public schools; the delegation also endorses the proposed recognition of Viet Nam and request the establishment of a Philippine Legation in that country.

July 15 — With President Magsaysay presiding the Cabinet, on recommendation of Economic Coordinator Montelibano, agrees to accord priority in the allocation of fertilizer first to the Fertilizer Administration and next to the Agricultural Credit and Cooperative Financing Administration.

The President receives Brig. Gen. William Lee, commanding officer, Clark Field Airforce Base, who, on behalf of Governor Alan Shivers, hands him a certificate of honorary citizenship in the State of Texas.

Malacañang issues a press release correcting press reports that the President had made "last-minute but fruitless efforts through Ambassador Neri to win over Senator Claro M. Recto to his stand on Viet Nam" and stating that the President had sent Mr. Neri upon receiving a letter from the Senator explaining that he was ready to express his views to anyone whom the President might designate.

July 16 — President Magsaysay visits the offices of the Bureau of Lands in the Department of Agriculture and Natural Resources Building and is shown the modern machines, installed with the assistance of consultants of the U. S. Foreign Operations Administration, which have made it possible for the Bureau to issue some 51,000 public land patents during the fiscal year 1954-55 instead of only from 3,000 to 6,000 in previous years; also visits the Zoilo Castillo Arzobispo.

The President receives a report from Secretary of Public Works Vicente Orosa stating that the public artesian wells drilled in barrios all over the country in 1954 numbered 1,216 and during the first half of 1955, another 691 wells.

July 17 — President Magsaysay orders Acting Governor Andres V. Castillo and the Monetary Board of the Central Bank to study possible discriminatory action against the banks which "violated the order to suspend opening letters of credit for the importation of textiles," after hearing Dr. Castillo's explanation that there had been no previous Central Bank "leakage" as to the Monetary Board's decision to freeze all unused dollar allocations for textiles; the decision was arrived at after 5 p.m. on the 14th and was immediately communicated to the banks.

The President nominates Secretary of Public Works and Dean Santiago F. de la Cruz as members of the Board of the new National Waterworks and Sewerage Authority which, under the provisions of Republic Act No. 1383, will replace the Metropolitan Water District.

The President receives the members of the Monetary Board who report on the progress of the investigation relative to the Central Bank order cancelling textile imports: the President reiterates his expressions of confidence in them.

The President receives officers and members of the League of Women Voters, the League President, Mrs. Fernanda Balboa, presenting him with the "Jewel of Honor", a golden decoration for "having given the women of the country greater participation in the high offices of the Government."

July 27—President Magsaysay presides over a meeting of the Cabinet at which it is decided, on recommendation of Vice-President and concurrently Foreign Secretary Garcia, to send a delegation to the next Consultative Committee conference of the Colombo Plan to be held in Singapore, September 29 to October 15 (meetings of officials) and October 17 to 22 (ministerial meetings); the delegation will be headed by Minister Narciso Ramos of the Philippine Legation in New Delhi. The Cabinet also approves a resolution by the Presidential Committee on Trade Agreements and Related Matters regarding the documents signed by the Philippine trade delegation to Europe, headed by Ambassador Leon Ma. Guerrero, and the representatives of the Federal Republic of West Germany, Switzerland, and the Netherlands. The Cabinet is informed by Economic Coordination Administrator Montelibano that the ₱132,000,000 Ambuklao project is due for inauguration early next year; the dam, which is 100 meters high, is said to be the second highest rock-filled dam in the world. Secretary of Health Paulino Garcia informs the Cabinet that there has been great progress in the health services to the people during the past year-and-a-half.

The President receives many expressions of support with respect to the conflict with Recto both from members of Congress and from provincial governors.

July 28—President Magsaysay receives Pham Tat Ton, Director of International Connections of the South Vietnam Foreign Office, who delivers to him a personal letter from Premier Ngo Dinh Diem expressing his gratitude for Philippine recognition.

The President holds a breakfast conference with Rep. Florencio Moreno, Chairman of the House Committee on Public Works, and Susano R. Negado, General Manager of the National Waterworks and Sewerage Authority, on the organization of the new corporation.

Press Secretary J. V. Cruz releases an "open letter" to Senator Recto stating that the Senator's opposition to the Mutual Defense Treaty with the United States, his opposition to the Southeast Asia

Collective Defense Treaty, his opposition to the Resolution for the Defense of Formosa, his opposition to the activation of additional American military bases here, his opposition to the recognition of South Vietnam, and his charge that President Magsaysay is an American "puppet" are all in line with Communist policy.

Senator Recto delivers another speech opposing the President's foreign policy before a large audience of students in the theater of the University of the Philippines. Press reports state that he was given an "ovation".

July 29—President Magsaysay visits the Government's Alabang Stock Farm where an epidemic of rinderpest has broken out; more than 70 animals imported from India have died, although it is stated they had been inoculated against the disease before they were sent to this country; officials advance the hypothesis that the long sea- voyage weakened the animals. Some 5,000 doses of anti-rinderpest vaccine arrived from Thailand yesterday, the President is told.

The President visits the School for the Deaf and the Blind and tells the members of the Parent-Teacher Association he is releasing ₱40,000 for the school.

The President continues to receive messages of support of his policies, and during the morning he receives a delegation of officers of the Philippine Junior Chamber of Commerce who present him with a resolution approved at a special Executive Committee meeting on July 23, expressing the desire of the 54 local Jaycee chapters to go on record "as being in full support and accord with President Ramon Magsaysay in his official recognition of South Vietnam."

July 30—President Magsaysay confers with the Chairman and a number of prospective members of the National Economic Council. The President and Mrs. Magsaysay are hosts at breakfast to Mr. and Mrs. Robert Guggenheim who are on a pleasure trip in Southeast Asia; Mr. Guggenheim is a prominent financier and a former United States Ambassador to Portugal.

Malacañang releases the text of a speech by Under-Secretary of Foreign Affairs Manglapus delivered today before the Cagayan de Oro Lions Club on the subject of the recognition of Vietnam.

July 31—President Magsaysay holds another conference with the Chairman and prospective members of the National Economic Council at which it is agreed that additional work of road-planning is to be assigned to private contractors because the Bureau of Public Highways is not completing the necessary plans fast enough. It is also agreed that a new policy is to be adopted favoring more liberal issuing of loans by the banks, Central Bank Governor Cuaderno having pointed out that much money is lying idle.

Banking and Finance

By M. D. ARNOLD

Sub-Manager

The National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31 1949	As of Apr. 30 1955	As of May 31 1955	As of June 30 1955
(In thousands of pesos)				
ASSETS				
International Reserves...	₱460,689	₱358,986	₱358,708	₱356,556
Contribution to the International Monetary Fund Account to Secure Coinage.....	30,000	30,000	30,000	30,000
Loans and Advances.....	113,306	106,941	106,941	106,940
Trust Account—Securities Stabilization Fund.....	77,047	21,789	28,343	80,663
Domestic Securities.....	92,197	293,782	301,929	295,217
Other Assets.....	20,390	48,189	55,995	61,433
	₱793,629	₱859,687	₱881,916	₱930,809
LIABILITIES				
Currency—Notes.....	₱555,576	₱606,855	₱597,111	₱571,362
Coins.....	74,384	86,018	86,548	86,944
Demand Deposits—Pesos.....	117,682	120,145	151,701	205,254
Securities—Stabilization Fund.....	2,000	9,517	9,689	10,841
Due to International Monetary Fund.....	22,498	496	496	20,496
Due to International Bank for Reconstruction and Development.....	2,389	2,376	2,376	2,376
Other Liabilities.....	2,636	5,646	4,751	3,975
Deferred Credits.....	—	2,259	2,727	502
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	6,464	939	1,081	3,623
Surplus.....	—	15,436	15,436	15,436
	₱793,629	₱859,687	₱881,916	₱930,809

Contingent Account

Forward Exchange Sale. ₱ 6,460

The International Reserves as of June 30, 1955 were as follows:

Central Bank International Reserves.....	\$178,278,011.50
Japan Open Account (due from).....	13,703,580.81
Net FX Holdings other Banks.....	52,475,681.01
	\$244,457,273.32

This is an increase of approximately \$4,500,000 compared to May 31, 1955. This apparent reversal of the downward trend in International Reserves reflects a withdrawal of \$10,000,000 from the International Monetary Fund. Had this withdrawal not been effected, the Reserves would have been depleted by a further \$5,500,000.

Currency and coins issued totalled ₱658,306,009.09.

Money is still tight.

Manila Stock Market

By LEONARDO L. RECIO
L. Recio & Company

INCREASING demand for base-metal stock issues due to the rising trend in metal prices, principally copper, in the world market, continues to maintain the activity in the Manila Stock Market with prices of practically all issues recording substantial gains. The Manila Stock Exchange Average recorded a new post-war high of 169.35. The present activity in the stock market would go a long way in speeding the development of the mineral resources of our country especially if proper government assistance

could be had. In view of the present high unemployment and the tight business conditions now prevailing, we cannot over-emphasize the importance of any one factor that might provide impetus toward the creation of more industries financed by local capital and might help solve our two major problems, namely: *unemployment and the need for dollar income*. The Government should extend a helping hand to those Philippine stockholders who contribute their resources to the development of our country. To begin with there are two things which the Government can do to encourage local capital:

1. The elimination of capital-gain taxes on profits from purchase and sale of securities.
2. Freedom from examination by Internal Revenue Examiners of the amounts invested in shares of development industries.

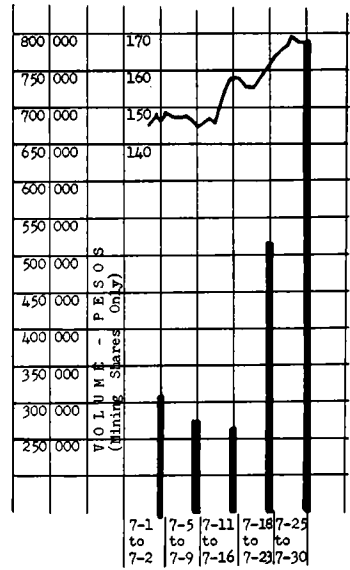
It is a safe guess that the amount of taxes that has been collected from capital gains on profits arising from the purchase and sale of securities has been very small, so that to give this up would entail no great sacrifice on the part of the Government. On the other hand, its elimination would encourage the financing of various enterprises, which when they started operations would be paying huge taxes to the Government; taxes on dividends from stockholders would also be considerable.

A bill is now before Congress which would exempt from examination by Internal Revenue officers deposits in the banks, the theory being that this would encourage cash hoarders to deposit their cash in the banks and thereby make it available for loan to those engaged in productive enterprises. Would it not be logical, therefore to exempt from similar examination all investments in productive enterprises such as mining, manufacturing, etc.?

PHILIPPINE Oil Development continued to be heavily traded, closing at 23, on sale of 14,776,000 shares. Acoje made substantial gains on the news of its acquisition of oil concessions in the island of Cebu and the prospects of a better chrome market in the United States. The stock closed at 18-1/2, up 05-3/4 from its previous close, on volume of 3,949,000. Atlas was strong, closing at 32, up 7 on sales of 6,750,000. Marinduque Iron Mines, on news of finding rich copper and extensive high-grade iron deposits on its new property, made a spectacular gain of 46 points by selling as high as 82. Profit-takers, however, drove the stock down and it closed at 69, still up 33 points from the previous close, on total sales of 1,896,000 shares. The rest of the shares were active with all major issues recording substantial gains. Commercial and industrial shares continue to be quiet, with San Miguel Brewery, common, accounting for most of the volume. The Manila Stock Exchange averages closed at 166.39 after establishing a new high of 169.35 on July 28. Total volume was 90,855,000 shares, with a value of ₱12,517,000.

1954-55 Range		MINING SHARES													
High	Low	Price Range from July 1 to 31, 1955													
169.35	84.82	Opening High Low Close Change													
		Manila Stock Average	169.35	145.24	166.39	21.07	+								
.244	.0875	Acoje Mining Co.	.13	201	13	181	.0575	+	3,954.00						
1.20	.70	Atok-Big Wedge	.80	80	80	80	—		8.00						
.144	.08	Baguio Gold	.0775	144	.07	121	.05	+	4,237.00						
.384	.0575	Batang	.274	321	.263	312	.07	+	6,749.00						
.90	.60	Balator Mining	.0045	0051	.0035	0049	.0028	+	29,840.00						
.0076	.0011	Batong Babay	2.90	3.05	2.90	3.05	.05	+	11.00						
3.75	2.60	Batong	.015	035	.015	.03	—		215.00						
.032	.008	Coco Grove, Inc.	.028	032	.026	.03	.01	+	16,238.00						
.034	.0195	Cons. Mines, Inc.	.085	.09	.06	.065	.01	—	150.00						
.15	.038	General Base Metals	.13	21	.13	19	—		911.00						
.19	.09	Hibbar Gold	.037	081	.037	.081	+	0458	1,549.00						
.084	.024	Ilogon Mining Co.	.78	.91	.78	.86	+.09		756.00						
.91	.355	Lepanto Cons.	.36	.82	.33	.69	+.33		1,896.00						
.82	.121	Marinduque Iron	.20	261	.20	24	+.04		1,272.00						
.29	.051	Mindanao	.36	.44	.35	.38	—		702.00						
.45	.34	Palawan Quicksilver	.25	35	.25	25	—		43.25						
.40	.081	Parsac-Guamoa	2.95	3.00	2.50	2.65	.25	—	284.00						
4.05	1.40	Philippine Iron Mines	.10	10	10	10	.02	—	31.00						
.16	.10	San Maurice	.22	231	.21	251	+.025		1,260.00						
.22	.174	Sarco Cons.	.032	.051	.032	.05	+.01		614.00						
.051	.008	Suico Cons.	.141	.37	.141	.21	—		14,776.00						
.31	.037	Philippine Oil Dev. Co.	.001	.021	.001	.021	—		130.00						
.21	.014	United Parsac													

1954-55 Range		COMMERCIAL SHARES													
High	Low	Price Range from July 1 to 31, 1955													
169.35	84.82	Opening High Low Close Change													
230.00	173.00	Bank of the Philippine Islands	—	—	—	—	—	—	—	—	—	—	—	—	—
		Insular Life	—	—	—	—	—	—	23 a	—	—	—	—	—	—
		Metropolitan Ins.	170.00	170.00	170.00	170.00	17.00	+	4.50b	—	—	—	—	—	—
170.00	153.00	Philippine Guaranty	—	—	—	—	—	—	22.50b	—	—	—	—	—	—
14.00	13.00	Universal Ins.	13.00	13.00	13.00	13.00	—	—	100	—	—	—	—	—	—
—	—	Cia Celulosa	10.50	10.50	10.50	10.50	—	—	1,425	—	—	—	—	—	—
—	—	Manila Textiles	1.70	1.70	1.36	1.36	.42	—	13.00	—	—	—	—	—	—
.72	.40	Manila Broadcasting	.67	.72	.67	.72	.08	+	10,500	—	—	—	—	—	—
4.50	3.00	Manila Wine	—	—	—	—	—	—	3.00b	—	—	—	—	—	—
—	—	Marsman & Co. (pref.)	.15	15	.15	15	—	—	14,000	—	—	—	—	—	—
.05	.06	Mayona Metal (pref.)	8.50	8.50	8.50	8.50	—	—	631.76	—	—	—	—	—	—
10.00	5.00	Philippine Air Lines	—	—	—	—	—	—	—	—	—	—	—	—	—
18.50	11.50	Philippine Loan Div.	18.25	18.50	18.25	18.25	—	—	3,350	—	—	—	—	—	—
1.00	.80	Philippine Racing	.80	.80	.80	.80	—	—	1,000	—	—	—	—	—	—
100.00	100.00	Taborers' Co.	—	—	—	—	—	—	9.50b	—	—	—	—	—	—
35.50	27.50	San Miguel, 5%	27.50	28.00	27.50	29.00	+.50	—	55,083	—	—	—	—	—	—
107.00	102.00	San Miguel, 8%	103.00	103.00	103.00	103.00	1.00	+	180	—	—	—	—	—	—
103.00	92.50	San Miguel, 7%	92.50	93.00	92.50	93.00	+.50	—	106	—	—	—	—	—	—
12.00	12.00	Williams Equipment	—	—	—	—	—	—	14.00b	—	—	—	—	—	—
70.00	53.00	Bogo Medelin	52.00	52.00	52.00	—	—	—	18.50b	—	—	—	—	—	—
15.00	11.00	Central Bala	—	—	—	—	—	—	12.00b	—	—	—	—	—	—
13.00	11.00	Central Carota	—	—	—	—	—	—	37.00a	—	—	—	—	—	—
45.00	32.00	Central Talar	—	—	—	—	—	—	—	—	—	—	—	—	—
10.50	9.00	Central Palar	—	—	—	—	—	—	—	—	—	—	—	—	—
		Pampanga Sugar	—	—	—	—	—	—	31.00a	—	—	—	—	—	—



Credit
 BY DUNCAN BURN
 — Manager, Eastern Inspection Bureau and
 Manager, Association of Credit Men, Inc. (P.I.)

THE Association of Credit Men, Inc. (P.I.) roster dated July 15, 1955, carries the names of 101 active members with respective representatives. The increase in membership in the past few months has been encouraging and the active participation and cooperation of members in Association services is proving increasingly beneficial. A larger number of member firms is taking part in reciprocal reports completed by the Ledger Inter-

change Bureau operated by the Association. The number of account-names being processed continues high. The average response per name has been steadily increasing in recent months. With tight credit and collection conditions, the Association is able to provide a variety of help for and protective services to members.

Forty members provided data for a resumé on the collection situation as at the end of June. Twenty-four members reported the collection situation unchanged in the second calendar quarter while 11 members found the collection situation tighter at the end of the second quarter than at the end of the first. Five members reported the collection situation somewhat easier at the end of June than at the end of March. Of the 29 firms reporting the collection situation easier or unchanged, 26 considered their own efforts exerted were responsible. Thus only 3 members found the collection situation easier or unchanged without benefit of their own efforts. Credit executives in general reported the money situation tight and found customers taking advantage of the tight situation to delay payments. Constant pressure on collections and special efforts and intensified collection procedures have been found necessary. Seven member firms reported conditions were tighter as a result of normal conditions at this season including the weather condition, seasonal school expenses, and other conditions considered normal. Some members considered unusual or unseasonal conditions as contributing materially to the tight conditions. These unusual conditions included reports of overstocking in some trades and poor conditions in some lines both in Manila and in the provinces.

The Association is presently completing a survey and resumé with reference to collections by mail and related collection procedures. The Association has made a number of studies on various collection procedures and systems in use in the Philippines and continues to work toward improvements and simplifications.

Warning notices sent to members of the Association during July were at about the same number as during June, more notices having been sent in each of these two months than in any other month this year.

Electric Power Production

(Manila Electric Company System)

By J. F. CORTON

Vice-President, Manila Electric Company

1941 Average—16,316,000 KWH

	1955		1954
	Kilowatt Hours		
January.....	61,315,000	57,301,000	
February.....	56,626,000	52,447,000	
March.....	64,029,000	57,779,000	
April.....	60,839,000	54,408,000	
May.....	66,035,000	57,773,000	
June.....	65,130,000	58,525,000	
July.....	66,720,000	60,205,000	
August.....		60,385,000	
September.....		59,680,000	
October.....		62,184,000	
November.....		58,739,000	
December.....		62,328,000	
Total.....		701,755,000	

JULY output was 6,515,000 kwh or 10.8% above July, 1954. For the first 7 months of 1955 output increased 10.6% above the same period last year. For the entire year of 1954 there was an increase of 11.6% over 1953. This indicates a slight drop in the rate of increase this year.

The July output sets a new monthly record of 66,720,000 kwh, which is 685,000 kwh above the previous record set in May, 1955. Daily output records were also set on July 21 and 22 of 2,420,300 kwh.

Real Estate

By ANTONIO VARIAS

Vice-President, C. M. Hoskins & Co., Inc., Realtors

REAL ESTATE SALES registered in the Greater Manila area during the month of July, 1955, numbered 593, with a total value of P6,525,545, as compared with 634, with a total value of P5,334,036, registered during the preceding month of June.

Of the July deals, 129, with a total value of P2,121,345, represented deals within Manila proper, while 464, with a total value of P4,404,200, were transactions registered in Quezon City, Pasay City, and in the suburban towns of Caloocan, Makati, Malabon-Navotas, Mandaluyog, Parañaque, and San Juan.

A few of the bigger sales registered during the month were:

CITY OF MANILA	
Binondo	
Gendera St. A property with a lot of 847.9 sq. m. sold by Po Poe to John O. Yu for P220,000.	
Salazar St. A property with a lot of 1,354.84 sq. m. sold by John F. Gutauco to Apolinario de Guzman for P225,000.	
Ermita	
Arquiza St. A property with a lot of 516.2 sq. m. sold by L. R. Pascual & Co. to Enrique L. Katigbak for P40,000.	
Quinta	
Echague St. A property with a lot of 557.5 sq. m. sold by Santiago Syjuco, Inc. to Peter Kaw Sek for P100,000.	
Sta. Cruz	
O'Donnell St. A property with a lot of 627.7 sq. m. sold by Escolastico Francisco to Guadencio Palomo for P80,000.	
QUEZON CITY	
Cubao—A property with a lot of 5,938 sq. m. sold by Consolacion Pascual to Roman V. Tussion, Jr. for P50,000.	
PAYATA	
Payata Estate—A tract of 10,900 sq. m. sold by Teodoro Nepomuceno to William Choy for P40,000.	
New Manila —A property with a lot of 1,497 sq. m. sold by Union Investments Corp. to the Associated Insurance and Surety Co. for P57,000.	

SUBURBAN TOWNS

Caloocan	
Rial Ave. Extension. A property with a lot of 2,600 sq. m. sold by Angelina Custodio to Custodio & Sons for P115,300.	
Tala	
A tract of 1,119,111 sq. m. sold by Melecio Arranz to Alfonso Syjuco for P32,000.	
Rial Ave. corner 11th St.	
A parcel of 3,528 sq. m. sold by Mariano Roque to Sunilang Bernardo for P33,850.	
Makati	
San Lorenzo Village. A tract of 32,005 sq. m. sold by San Lorenzo Co. to the Assumption Convent, Inc. for P520,000.	
Pasig	
Maybunga. A tract of 53,240 sq. m. sold by Bernabe Gregorio to Melitona Estate, Inc. for P149,382.	
Parangue	
A property with a lot of 7,744 square meters sold by Alice W. Day to Jalcor, Inc. for P300,000.	

REAL ESTATE MORTGAGES registered in the Greater Manila area during the month numbered 494, with a total value of P7,839,444, as compared with 618, with a total value of P9,283,444, registered during the previous month of June.

Of the July mortgages, 164, with a total value of P3,602,539 represented deals within Manila proper, while 330, with a total value of P4,236,905, were deals within the cities and suburban towns mentioned above.

REAL ESTATE SALES, 1955

	Quezon City		Pasay City		Suburban Towns		Total
	Manila	City	City	Towns	Total		
January.....	P 2,248,421	P 1,152,738	P 175,472	P 2,082,216	P 6,658,847		
February.....	2,659,845	1,494,750	227,674	1,415,481	5,797,750		
March.....	3,698,757	1,380,002	520,341	2,034,848	7,633,948		
April.....	3,017,054	1,165,215	217,211	2,026,449	6,426,429		
May.....	1,819,794	1,499,356	653,003	1,521,412	5,493,565		
June.....	2,057,966	1,245,396	367,749	1,662,925	5,334,036		
July.....	2,121,345	1,592,103	372,860	2,439,327	6,525,545		

REAL ESTATE MORTGAGES, 1955

January.....	P 2,639,978	P 1,626,001	P 358,600	P 2,882,024	P 7,506,603
February.....	4,518,717	2,868,642	346,000	1,244,589	7,097,948
March.....	4,371,652	2,054,042	413,700	4,627,048	11,466,442
April.....	4,638,698	1,397,006	326,650	4,340,191	9,792,545
May.....	2,626,424	2,481,249	964,048	1,810,284	12,882,505
June.....	4,207,704	2,691,135	279,900	2,104,705	9,283,444
July.....	3,602,539	1,392,439	314,600	2,529,866	7,839,444

Building Construction

By **JUAN J. CARLOS**
President, United Construction Co., Inc.

DURING the month of July, the Office of the City Engineer of Manila approved building permits for construction work amounting to ₱3,153,640. For the same period in 1954, the volume of work authorized amounted to ₱2,314,355, in comparison with ₱7,091,450 in 1953 and ₱3,478,360 in 1952.

Some of the big projects that were started during the month under review were:

A 4-story apartment building for American International Underwriters on Dewey Boulevard and M. H. del Pilar, costing ₱500,000;
 For Macondray & Co. on 17th Street, Port Area, a 1-story shop building, estimated at ₱150,000;

On J. Luna, corner P. Herrera streets, a 2-story commercial building owned by Consolation Uy, costing ₱70,000;
 A 2-story concrete building for Tandayu Distillery, Inc., at 348 Tandayu Street, estimated at ₱70,000;

At 1875 (int.) J. Luna, a 1-story addition to the Lim Ku Chin Building, costing ₱55,000;

On Buencamino Street, a 2-story residence for Ruperto Sanches, costing ₱50,000.

During the period under review, the prices of essential building materials registered slight increases, which dealers claim is an indirect effect of the cancellation of the textile licenses by the Central Bank. Importers of construction items think that their quotas will also be reduced if the proposal of some importers that a reduction of foreign exchange for imports be applied to all quotas instead of only to textiles alone is adopted by the Central Bank.

The selling price of galvanized-iron sheets increased from ₱.20 to ₱.30 per sheet of gauge 26, 8 feet long, to ₱5.50; gauge 24 became scarce in the market.

The special assistant to the Governor of the Central Bank, Mr. G. S. Licaros, has invited importers of glazed tiles, and other interested parties to express their views on the request of the only local manufacturer of this item to ban completely the importation of glazed tiles. During the conference, stiff opposition was voiced by those present who stated that the manufacture of this material is still in its infancy here. While it is true that the Bureau of Science had certified to the quality of the local product, yet it remains a fact that only time and constant use can prove the durability of any product. Furthermore, the local plant until now does not produce fittings for the tiles.

The Central Bank also held a hearing on the request of local manufacturers to ban the importation of reinforcing steel bars.

Port of Manila

By **FRANCISCO DELGADO**
General Manager, Delgado Brothers, Inc.

THE lowest tonnage handled over the piers for the current year was registered during the month of July,—only 98,009.99, carried by 136 vessels. This is about 35,000 tons less than the tonnage handled in this Port the previous month.

Joint cooperative effort by the Bureau of Customs, on the one hand, and the Delgado Brothers, Inc., on the other, for the proper reception of incoming and outgoing passengers at the Port of Manila, has resulted in the provision of additional facilities and greater convenience and comfort for tourist-passengers.

At Pier 9, comfort rooms, benches, electric fans, and a water-cooler have been installed to make travelers as comfortable as possible while awaiting release of their baggage. Refreshment stands have also been placed in strategic places.

To improve the procedure in the handling of baggage, the new Commissioner of Customs, Manuel P. Manahan,

has issued a circular embodying various suggestions to facilitate the matter. The examination of baggage has also been greatly expedited through the assignment of more examiners and the use of an alphabetical arrangement of examinations.

	Dockside	Shipside and Bulk
January, 1955	115,469.230	32,651.714
February "	109,176.273	23,855.125
March "	125,063.040	15,585.867
April "	131,307.661	21,891.203
May "	146,157.354	30,691.812
June "	133,082.212	31,310.448
July "	98,009.995	18,945.464

Ocean Shipping and Exports

By **E. H. BOSCH**
Secretary-Manager
Associated Steamship Lines

TOTAL exports during the first half of this year showed an increase of 651,274 tons over exports during the first half of last year; 861 vessels lifted 3,056,801 tons of exports during the first half of 1955, as compared to 2,405,527 tons lifted by 837 vessels during the first half of 1954.

Total exports during the first 6 months of 1954 as compared with the first 6 months of 1953, were as follows:

Commodity	1955	1954
Alcohol	53 tons	80 tons
Beer	2,984 "	3,768 "
Fiber, buntal	113 "	127 "
Cigars and cigarettes	180 "	106 "
Coconut, desiccated	18,284 "	20,148 "
Coconut oil	32,675 "	27,783 "
Concentrates containing copper, gold, silver, lead, and zinc	3,398 "	2,978 "
Concentrates, copper	35,100 "	45,924 "
Concentrates, lead	94 "	— "
Copra	344,032 "	324,633 "
Copra cake and meal	35,617 "	32,819 "
Embroideries	1,812 "	1,572 "
Empty cylinders	1,393 "	929 "
Fish, salted	82 "	52 "
Fruits, fresh	849 "	1,275 "
Furniture, rattan	4,103 "	3,796 "
Glycerine	1,957 "	1,508 "
Gums, copal	906 "	623 "
Hemp	109 "	34 "
Hemp rugs	447,215 bbs.	377,530 bbs.
Household goods and personal effects	1,235 tons	808 tons
Junk metal	2,074 "	2,162 "
Kapak	6,663 "	6,027 "
Logs	194 "	59 "
Lambanog	333,726.140 bd.ft.	250,900.164 bd.ft.
Molasses	29,301.993 "	29,499.989 "
Nuts, peanuts	156,029 tons	93,760 tons
Ores, copper	3,095 "	— "
Ores, chrome	99 "	1,229 "
Ores, iron	217,597 "	220,023 "
Ores, manganese	753,151 "	307,715 "
Pineapples, canned	5,213 "	4,956 "
Plywood and plywood products	29,086 "	21,981 "
Rattan, round (palasan)	4,329 "	53 "
Rice	1,800 "	1,493 "
Rope	2,252 "	2,094 "
Rubber	213 "	75 "
Shell, shell	452 "	488 "
Shell buttons	76 "	55 "
Skins, hides	118 "	313 "
Sugar, cent. raw	580,502 "	617,306 "
Sugar, refined	2,886 "	2,311 "
Sugar, muscovado	2,513 "	2,869 "
Tobacco	1,579 "	6,340 "
Vegetables	71 "	369 "
Veneer	349 "	154 "
Transit cargo	2,212 "	1,348 "
Merchandise, general	7,224 "	5,377 "

Freight Car Loadings

By JOSE B. LIBUNAO

Traffic Manager, Manila Railroad Company

LOADINGS of revenue freight during the month of June, 1955, totaled 3,181 cars. This was an increase of 414 cars, or 15%, over the loadings of June, 1954, of 2,767 cars.

Revenue freight carloadings by group commodities for the month of June were as follows:

Group Commodities	June—Tonnage	
	1955	1954
Products of agriculture.....	5,793	20,183
Animal products.....	339	1,252
Products of mines.....	1,205	864
Products of forests.....	11,814	10,637
Products of manufactures.....	45,747	19,538
Merchandise less than by carload.....	6,051	4,374
Total.....	70,949	56,848

The above group commodities represented 44 items, with 27 items registering a total increase of 35,118 tons and 17 items a total decrease of 21,017 tons, or a net increase of 14,101 tons. Of the items registering increases, the more important were: centrifugal sugar, 10,977 tons; cement, 7,698 tons; refined sugar, 3,142 tons; fuel oil, 2,538 tons; sugar cane, 1,858 tons; merchandise less than by carload, 1,677 tons; lumber, 1,165 tons; logs, 1,065 tons; "other manufactures" and miscellaneous 1,049 tons; soft drinks, 933 tons; molasses, 558 tons; and coal and coke, 497 tons, or an aggregate total of 33,167 tons. On the other hand, the more important items which showed decreases were: copra, 10,222 tons; "other products of agriculture", 5,171 tons; gasoline, 1,517 tons; rice,

1,050 tons; logs, 838 tons; wood fuel, 631 tons; salt, 449 tons; and "other products of forests," 421 tons, or an aggregate total decrease of 20,299 tons.

It is worth noting that for the first time in many months, the products of agriculture showed a decrease of 14,390 tons, which indicated the end of the seasonal factor affecting the items included in this classification. This decline was registered in the carloadings of rice, "other mill products," copra, and "other products of agriculture." Although there was an actual increase in the production of copra, yet export declined due to a weak price-bottom of \$157.50 and a peak \$165 during the month.

With the exception of bagoong, the shipment of animal products suffered decline due not only to lack of supply but also the ban on movement between provinces. Products of mines registered slight increases due to shipments of silica ore from Tagkawayan. Forest products showed improvement in carloadings due to a greater demand for lumber for local construction. Prices for both items have increased recently.

Aside from gasoline, which is being transported by trucks for reason of a change in source, products of manufacturers registered the greatest increase by an aggregate total of 26,209 tons. In spite of low prices prevailing, centrifugal sugar continued to move to make up for delayed deliveries of exports caused by lack of bottoms in the past months. Refined sugar also continued to contribute to increased loadings because of the operation of the Insular Sugar Refining Co. The same is true for cement, indicating greater construction and public-work activities. Other manufactures and merchandise less than by carload improved due to greater importation through the Port of Manila with an increase of 75.47% over the same month last year.

Mining

By HENRY A. BRIMO

President

Philippine Gold Producers Association, Inc.

DEVELOPMENTS during the past month in the gold mining industry follow:

1. Local bullion prices remained steady around the recent lows (P96.50 per ounce bullion) during most of July but firmed in the final week and closed quietly, with final sales at P99.50.

2. Despite prolonged negotiations between the Technical Committee of the Gold Subsidy Board and the members of the Philippine Gold Producers Association on the subject of a Government offer to buy all gold produced at special prices (the best Government offer was a disappointing P101.00 for over-marginal mines and P103.00 for marginal mines), no agreement was reached because the member-mines of the Association preferred to continue on the present basis of selling one-third of their production at the official subsidy prices of P105.40 and P111.72 and the remainder at prevailing prices on the local market. The negotiations, in other words, were stymied by two factors, namely: the fact that Government finances and the limitations imposed by the Gold Subsidy Law may necessarily limit the aid that can be granted to gold producers and the fact that the gold producers do not wish to eliminate themselves from the local premium market on a permanent basis. The latter is a condition which the aforementioned Technical Committee wishes to impose along with its offer to buy all locally-produced gold by mines that qualify for the subsidy.

3. First-semester 1955 production reports, compared with the same period in past years follow (member-mines of the Philippine Gold Producers Association only):

Year	No. of Ounces Produced	Market Value in Pesos
First Semester—1955.....	181,379 ounces	P18,749,597.00

First Semester—1954.....	169,726 ounces	P17,974,284.00
First Semester—1953.....	215,217 ounces	P22,411,905.00

FIRST SEMESTER—1955 PRODUCTION REPORTS

Name of Mining Company	No. of Ounces Produced	Market Value in Pesos
Atok-Big Wedge Mining Co., Inc.	—	—
Bagoio Gold Mining Company...	12,633 ounces	P 1,308,960.00
Balatoc Mining Company.....	50,295 "	5,187,122.00
Benguet Consolidated Mining Company.....	57,218 "	5,869,298.00
Coco Grove, Inc.....	4,001 "	411,499.00
Itoyan Mining Company.....	16,348 "	1,766,494.00
Mindanao Mother Lode Mines, Inc.....	—	—
San Mauricio Mining Company..	12,216 ounces	1,218,951.00
Surigao Consolidated Mining Company.....	28,668 "	2,987,263.00
TOTALS (January to June, 1955) ..	181,379 ounces	P18,749,597.00

FIRST SEMESTER—1954 PRODUCTION REPORTS

Name of Mining Company	No. of Ounces Produced	Market Value in Pesos
Atok-Big Wedge Mining Co., Inc.	—	—
Bagoio Gold Mining Company...	14,096 ounces	P 1,492,944.00
Balatoc Mining Company.....	43,738 "	4,631,906.00
Benguet Consolidated Mining Company.....	52,369 "	5,544,454.00
Coco Grove, Inc.....	1,854 "	196,797.00
Itoyan Mining Company.....	17,802 "	1,869,972.00
Mindanao Mother Lode Mines, Inc.....	—	—
San Mauricio Mining Company..	21,271 ounces	2,289,392.00
Surigao Consolidated Mining Company.....	18,596 "	1,948,819.00
TOTALS (January to June, 1954) ..	169,726 ounces	P17,974,284.00

*Production affected by underground fire.

FIRST SEMESTER—1953 PRODUCTION REPORTS

Name of Mining Company	No. of Ounces Produced	Market Value in Pesos (approx.)
Atok-Big Wedge Mining Company.....	12,724 ounces	P 1,350,000.00
Bagoio Gold Mining Company...	14,799 "	1,544,196.00

Balator Mining Company	45,539	"	4,726,507.00
Benguet Consolidated Mining Company	50,659	"	5,252,083.00
Coco Grove, Inc.	3,362	"	450,057.00
Itoyan Mining Company	18,975	"	1,985,339.00
Mindanao Mother Lode Mines, Inc.	19,644	"	2,023,104.00
San Mauricio Mining Company	26,709	"	2,755,234.00
Surigao Consolidated Mining Company	22,806	"	2,432,964.00
TOTALS (January to June, 1953)	215,217	ounces	P22,419,484.00

The second-semester operations outlook for 1955 gives promise that Baguio Gold Mining Company and Itoyan Mining Company will reach their previous years' total production. If this should occur, all member-mines of the Philippine Gold Producers Association, with the exception of San Mauricio Mining Company, will end 1955 with production records equal to, or better than the previous year.

Lumber

By PACIFICO DE OCAMPO
Secretary-Treasurer

Philippine Lumber Producers' Association, Inc.

DURING the month under review, June, 1955, the Philippines exported 40,852,281 bd. ft. of logs and lumber, 51,204,529 bd. ft. less than the preceding month's 92,056,810 bd. ft. The decrease was mainly due to the fall in the shipments of logs to Japan, from 78,730,856 bd. ft. in May to 32,447,390 bd. ft. in June, or a decrease of 46,293,466 bd. ft. The exports to the United States and Canada decreased by 485,845 bd. ft., from 7,300,856 bd. ft. in May to 6,815,011 bd. ft. in June. Exports to all other countries also decreased by 5,150,829 bd. ft., from 6,740,709 bd. ft. in May to 1,589,880 bd. ft. in June, 1955.

The following are the figures for the logs and lumber in bd. ft. inspected for export during June, 1955, as released by the Bureau of Forestry:

Shipper	Destination	Volume in Board Feet	
		Lumber	Logs
Agusan Export & Import Co	Japan		699,588
American Rubber Co.	Japan		243,001
Anakan Lumber Co.	U. S. A.	358,602	1,243,649
Company	Japan		1,750,000
Associated Lumber Mfg. Co., Inc.	U. S. A.	64,855	
Basilan Lumber Co.	U. S. A.	515,221	401,429
Bisitig Bay Lumber Co., Inc.	U. S. A.	600,000	
Continental Merchandizing Corp.	Formosa		211,118
C. Alcantara & Sons	Japan		797,047
Calapan Lumber Co.	U. S. A.	73,216	30,421
Dee Cho Lumber Co.	U. S. A.	50,000	
E. A. Luna Lumber Trading	Japan		743,088
Extensive Enterprises Corp.	Japan		450,000
Findlay Millar Timber Co.	Japan		1,100,000
General Enterprises, Inc.	U. S. A.	19,619	
Golden Ribbon Lumber Co., Inc.	Japan		1,162,785
G. S. Mahalac Enterprises	U. S. A.		300,000
Insular Lumber Company	U. S. A.	1,038,637	950,639
	South Africa	1,202,726	
	Canada	36,166	
	Eire	97,995	

Jebenaar & Co., Inc.	Japan	115,337
Lanao Lumber Mills	Japan	58,977
La Villa de Manila	Japan	904,328
Luzon Manufacturing Ent., Inc.	Japan	971,552
Misamis Lumber Co., Inc.	Japan	300,000
Nasipit Lumber Co., Inc.	U. S. A.	395,256
	U. S. A.	1,003,797
	U. S. A.	4,700,000
Ralph W. Demsey	Japan	253,816
Redwood Co.	Japan	925
Sanchez Logging	Japan	3,921,925
Sta. Clara Lumber Co., Inc.	Japan	931,948
Standard Sawmill	Japan	600,000
Surigao Timber Co., Inc.	Japan	1,000,000
Tagtag Sawmill Co., Inc.	Japan	617,001
T. H. Valderrama & Sons, Inc.	U. S. A.	74,287
Uno-Import-Export Co.	Japan	2,137,201
Valderrama Lumber Co., Inc.	U. S. A.	648,691
Valeriano C. Bueno	Japan	304,742
Vicente M. Cuevas	Japan	459,962
Western Mindanao Lumber Co., Inc.	U. S. A.	322,553
Woodworks, Inc.	U. S. A.	51,298
	Africa	78,041
Total		5,214,477
		35,637,804

SUMMARY OF EXPORTS DURING JUNE, 1955, ARRANGED BY COUNTRIES OF DESTINATION IN THE ORDER OF VOLUME OF SHIPMENTS TO EACH COUNTRY

Countries of Destination	Lumber (Bd. Ft.)	Logs (Bd. Ft.)	Total (Bd. Ft.)
Japan	—	32,447,390	32,447,390
United States	3,798,549	2,979,296	6,777,845
Southern Africa	1,280,767	—	1,280,767
Eire	97,995	211,118	211,118
Canada	36,166	—	36,166
Total	5,214,477	35,637,804	40,852,281

RESUME OF EXPORTS TO:

	Lumber (Bd. Ft.)	Logs (Bd. Ft.)	Total (Bd. Ft.)
Japan	—	32,447,390	32,447,390
United States and Canada	3,835,715	2,979,296	6,815,011
Other countries	1,378,762	211,118	1,589,880
Total	5,214,477	35,637,804	40,852,281

Trend of Exports to:

	This Month		Month Ago		This Month	
	Lumber (Bd. Ft.)	Logs (Bd. Ft.)	Lumber (Bd. Ft.)	Logs (Bd. Ft.)	Lumber (Bd. Ft.)	Logs (Bd. Ft.)
Japan	—	32,447,390	350,433	77,664,812	—	29,413,167
United States	3,835,715	2,979,296	5,084,341	2,216,515	3,119,676	3,148,518
and Canada	1,378,762	211,118	2,299,170	4,441,539	712,698	1,668,380
Other countries	—	—	—	—	—	—
Total	5,214,477	35,637,804	7,733,944	84,322,866	3,832,374	34,228,065

NOTE: The export figures for June, 1955, cover only the first two weeks, except for Anakan Lumber Co., Nasipit Lumber Co., Inc., Bisitig Bay Lumber Co., Inc. and Insular Lumber Co.

Arrivals of logs and lumber in Manila during the month under review, June, 1955, aggregating 8,352,619 bd. ft., decreased by 509,906 bd. ft., as compared to arrivals during the previous month of 8,862,525 bd. ft.

Prices in the local wholesale lumber market increased during the month under review, June, 1955, compared with those of the previous month: P150-P155 to P160-P175 for white lauan; P150-P155 to P160-P170 for apting; and from P180-P185 to P195-P210 for red lauan per 1000 bd. ft.

COMPARATIVE STATEMENT OF EXPORTS MADE TO DIFFERENT REGIONS OF THE UNITED STATES DURING THE MONTHS OF MAY AND JUNE, 1955

Period	Lumber in Board Feet					Logs in Board Feet					Grand Total
	Western States	Eastern States	Gulf States	All Others	Total	Western States	Eastern States	Gulf States	All Others	Total	
May, 1955	3,635,114	624,805	225,999	598,423	5,084,341	1,413,262	30,399	—	772,852	2,216,515	7,300,856
June, 1955	3,075,385	685,527	—	36,637	3,798,549	2,648,875	30,421	300,000	—	2,979,296	6,778,845
DIFFERENCE (Increase +; Decrease -)	559,729-	60,722+	225,999-	559,786-	1,285,792-	1,235,613+	22+	300,000+	772,852-	762,781+	522,011-

Copra and Coconut Oil

By WILLIAM S. RICE, JR.

Copra Buyer, Philippine Manufacturing Company

IN July the market was steady until shortly past mid-month when prices turned downward to produce a substantial decline by month's end.

As in June, the tone of the world copra market was largely set by the activities of Philippine sellers. The steady to firm tone of the first half of July was mainly due to lack of Philippine selling-interest rather than to short supplies or broad buying-interest. This lack of selling-interest probably reflected excessive caution arising from experiences in June when many sellers had difficulty covering sales commitments in an oversold market and prices steadily advanced as the anticipated seasonal increase of production failed to develop as early as expected. In July, production began to increase, but sellers failed to heed the increase and held themselves out of the market while their stocks steadily grew and outstanding sales commitments declined. Meanwhile, Indonesian and Strait sellers supplied the active European demand at good prices which were usually slightly below the ideas of Philippine sellers. Shortly after mid-month, Philippine sellers were at the point where they had to sell to move stock and replenish capital. A broad volume of selling-interest gradually appeared, and prices declined.

Two other significant factors contributed to the decline: (1) the American market is basically overstocked with coconut oil, as is evidenced by official United States Government reports of American coconut-oil inventories which are more than 50% above inventories at the same period last year; (2) during the last half of July the Dutch Government announced plans to sell 24,000 tons of coconut oil plus other oils and oilseeds from its stocks.

Philippine copra production improved generally during July and is expected to reach peak levels for the year in August and September. During the first 6 months of 1955, production of the Visayas and Mindanao was well ahead of the same period last year and accounted for the over-all increase in Philippine copra exports. Production in Luzon has been disappointing and far below last year's high levels.

Copra Cake: American buyers finally reentered the market, advancing their prices to levels competitive with Europe, but they moved cautiously and actual trading was sporadic. European buyers did some trading early in the month and then became inactive. There is a shortage of shipping space for cake and meal to Europe in September which situation cuts off existing buying-interest from the Philippine market.

Prices In July

	High	Low	Close
Copra			
Pacific Coast, c.i.f. per short ton nearby shipment or afloat....	\$164.00	\$151.00	\$153.00
Europe, c.i.f. per long ton, shipment in 45-60 days.....	187.50	176.00	178.00
Manila, fresh, rescada basis, per 100 kilos at bodegas, 30 days.....	₱29.50	₱26.50	₱27.00
Coconut Oil:			
Pacific Coast, per pound, f.o.b. tank cars in 45-60 days.....	11-3/4¢	10-3/4¢	11¢
Atlantic Coast, c.i.f. per pound, in bulk, afloat or nearby shipment.....	12-1/2	11-1/2	11-1/2
Copra Cake:			
Pacific Coast, c. & f. per short ton, shipment in 30-60 days.....	\$72.00	\$66.00	\$72.00
Europe, c.i.f. per gross long ton, shipment 60-90 days.....	81.00	79.00	no price

Copra Statistics

PHILIPPINE COPRA AND COCONUT OIL EXPORTS
(In Long Tons)

Copra Exports	May	June	July
United States.....	23,499	26,652	25,799
Europe.....	25,900	23,980	26,865
Other countries.....	5,110	9,562	15,843
Totals.....	54,509	60,194	68,507
Coconut Oil Exports			
United States.....	4,249	7,319	4,883
Other countries.....	—	—	531
Totals.....	4,249	7,319	5,414
Copra Cake and Meal Exports			
United States.....	3,090	2,218	1,501
Europe.....	3,000	3,100	4,600
Other countries.....	—	—	—
Totals.....	6,090	5,318	6,101

MANILA AND CEBU COPRA-ARRIVALS
(In Metric Tons)

	Manila		Cebu		TOTAL		Percentage
	1955	1954	1955	1954	1955	1954	1955/54
January.....	18,856	13,036	15,458	15,490	23,314	28,528	89%
February.....	11,451	11,674	19,026	14,218	31,377	25,802	121%
March.....	10,718	10,356	16,027	14,170	26,745	24,526	109%
April.....	10,337	10,300	16,455	13,926	26,792	24,226	111%
May.....	9,851	14,592	16,212	19,307	26,063	33,699	77%
June.....	12,596	13,601	16,465	19,964	29,061	33,565	87%
July.....	16,325	17,578	20,454	23,889	36,779	41,467	89%
Totals.....	81,134	91,139	120,997	120,964	202,131	212,103	95%

PHILIPPINE AND INDOONESIAN COPRA EXPORTS
(In Metric Tons)

	1955	1954	%1955/54	1955	1954	%1955/54
January.....	69,527	55,818	125%	14,526	20,653	70%
February.....	74,448	58,879	126%	20,064	25,368	79%
March.....	56,080	61,894	91%	16,077	23,209	69%
Totals.....	200,055	176,591	113%	50,667	69,230	73%

Desiccated Coconut

By HOWARD R. HICK

President and General Manager
Peter Paul Philippine Corporation

THIS report covers the period from June 15 to July 15. During this period copra went from weak to strong, regaining the level that had been maintained for such a long time prior to May. Raw nut prices followed closely, and at the time of this report it is necessary to meet the copra equivalent because of a slight shortage of nuts.

During this period the desiccated coconut factories resumed full capacity and may continue this for the next few months because of the increased demand in the United States market which is due to the seasonal demand and planning for September deliveries, as well as to the low nut prices the last two months.

Indications are that inventories are low in the United States and that buyers may be more active than usual during September and October; if this proves true, the production for the calendar year will increase and come closer to the normal capacity. At present production, the industry is about at 70% capacity.

The following statistics cover the shipments of desiccated coconut during the month of June, 1955:

Shippers	Pounds
Franklin Baker Company.....	5,531,700
Blue Bar Coconut Company.....	1,143,625
Peter Paul Philippine Corp.....	219,300
Red V Coconut Products, Ltd.....	2,830,500
Sun Ripe Coconut Products, Inc.....	152,500
Cooperative Coconut Products, Inc.....	30,000
Totals.....	9,907,625

Manila Hemp

By WILLIAM PENDARVIS
Assistant Manager

Columbian Rope Company of Philippines, Inc.

ACCORDING to the statistics, the production of abaca for the first 6 months of 1955 exceeds that of the corresponding period of 1954 by 33,061 bales. The major part of this increase can be attributed to the full recovery of hemp production in the Bicol region since the devastating typhoon of 1952.

Trade with Japan continued to highlight the hemp market during July. The spinners in Europe and America closed their plants for their annual vacation-period, resulting in very little interest being shown for purchases from these two major consuming areas. At the end of the month, sales to Japan were still being reported at the machine-cleaned J1 level of \$49 c.i.f., and \$45.50 c.i.f. for machine-cleaned G.

As of July 2, 1955, the inventory of Central American abaca totalled 42,331 bales, which is a decrease of approximately 3,000 bales from the reported June 1 inventory. Production during the month of June totalled 4,363 bales, with sales for the same period totalling 7,447. It will still be some time before the Central American inventory reaches the low level which will then make it necessary for the American spinners to show greater interest in Philippine abaca. However, with news of further cut-backs in production, there is no doubt that in the next 18 months the Central American inventory will have been reduced to a very low level.

Local markets throughout the Philippines remained steady during the month in anticipation of larger interest developing in London and New York shortly and of continued buying-interest from Japan.

	Balings—January/June Inclusive				
	1955	1954	1953	1952	1951
Davao.....	246,973	241,829	251,839	264,451	254,895
Albay/Camarines and Sorsogon.....	94,539	59,718	114,065	88,426	151,245
Leyte/Samar.....	52,836	63,582	59,248	74,098	97,887
All others.....	47,552	43,710	51,736	41,084	55,813
Total.....	441,900	408,839	476,888	468,779	559,840

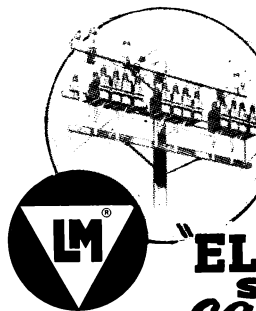
	Exports—January/June Inclusive				
	1955	1954	1953	1952	1951
United States and Canada.....	107,647	92,912	166,861	170,017	330,913
Continental Europe.....	111,447	92,795	100,399	86,621	92,687
United Kingdom.....	72,736	64,051	60,499	50,394	93,729
Japan.....	118,013	87,241	122,406	59,043	69,913
South Africa.....	4,215	4,620	5,469	5,800	5,990
India.....	4,150	3,692	3,850	2,670	3,442
Korea.....	644	14,573	—	—	—
Australia and New Zealand.....	4,947	4,152	1,200	850	1,300
All others.....	4,550	3,502	570	160	—
Total.....	429,046	369,010	462,390	380,363	603,719

Sugar

By J. H. D'AUTHREAU
Philippine Sugar Association

THIS report covers the period July 1 to July 31, 1955. *New York Market.* Due to seasonable weather and increased distribution of refined sugars there has been more tone in the market throughout the month. Sales of the unsold July arrival Philippines were the prominent feature of the first half of the month at 5.90¢, 5.95¢, and 6.00¢. Refiner interest next developed on July 12 in several August arrival parcels which were done for the most part at 6.05¢. On July 20 spot rose to 6.08¢ and selected parcels of Philippines were sold to refiners for both August and September arrival at 6.08¢. Sellers thereupon raised their sights to 6.10¢, but on July 25, after the close of business, the U. S. Department of Agriculture increased the Domestic quota by 100,000 tons to 8,300,000 tons for 1955. This increase is distributed among the participating countries as follows:

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Cuba	96,000 tons
Dominican Republic	993 "
El Salvador	149 "
Haiti	96 "
Mexico	412 "
Nicaragua	282 "
Peru	1,868 "
Other countries	200 "
	100,000 tons

Buyers withdrew and the market turned inactive. On July 29, last trading day of the month, 4,000 tons Philippines for July 31 arrival were sold at 6.05¢ and the market was reported firm, sellers 6.08¢/6.10¢, buyers 5.05¢.

Reported sales of actuals totalled approximately 225,814 long tons, of which 135,000 long tons were Philippines. Exchange operations for the period approximated 116,900 short tons. Deliveries of refined for the period June 26 to July 23 were 791,999 short tons as compared with 729,970 for June and with 687,881 for July, 1954. Total deliveries for the year to July 23 were 4,611,000 short tons, as compared with 4,477,000 short tons on the same date in 1954. On July 23, refiners stocks were 243,832 long tons, as against 280,002 tons on the same date last year.

Opening and closing quotations on the No. 6 Contract was as follows:

	September	November	March	May
July 1	5.48¢	5.50¢	5.35¢	5.39¢
29	5.56	5.56	5.36	5.39

Average spot price for July was 5.5140¢.

Average spot price January 1 to July 29 was 5.432945¢.

Bell Trade Act Revision. During July the Bell Trade Act Revision proposals were approved by both Houses of Congress in Washington. The Bill now only requires the signature of President Eisenhower to become law, ratification having already been accorded in

Manila, where the Philippine Act also merely awaits President Magsaysay's signature.*

United States Sugar Legislation. The hearings before the House Agriculture Committee were duly terminated on July 14, following the testimony of Secretary of Agriculture Benson who advocated passage this year of the legislation suggested by the Administration. He was opposed, he said, to rigid price-support loans which could lead to the elimination of quotas on domestic production and marketing.

On July 21 the House Agriculture Committee approved a draft bill by 24 votes to 7, the salient points of which were as follows:

(a) Effective January 1, 1956, to December 31, 1960.

(b) In 1956 quotas to be assigned as provided in present Act up to 8,350,000 tons. Above this figure quotas to be assigned 50% to domestic areas and 50% to foreign suppliers (excluding Philippines), of which 96% to Cuba. Beginning 1957, the 55% of excess over 8,350,000 to foreign countries to be shared 50% to Cuba and 50% to other foreign suppliers, excluding the Philippines, except that the other foreign full-duty quotas are first to receive 175,000 tons before Cuba participates in any increase over 8,350,000. Second, beginning 1958 the same countries must receive 45,000 tons over and above the 175,000 tons before Cuban participation in quota increases over 8,350,000.

(c) Any foreign country with a quota of more than 10,000 tons that fails to fill its quota by more than 10% during a year when world sugar price exceeds the United States price may have its quota for subsequent years reduced accordingly unless failure was due to crop disaster.

(d) No country shall have its quota increased above the 1956 quota unless a party to the International Sugar Agreement (aimed at Peru).

(e) Suspension of quota of any country discriminating against United States agricultural commodities (aimed at the Philippines).

(f) Commodity Credit Corporation to purchase in 1955 100,000 tons continental United States production from 1955 or previous crop to be disposed of outside continental United States without undue disturbance to normal marketing. Provision to be made for supporting prices of mainland sugar at 90% of parity.

*President Eisenhower signed the Bill on August 1; President Magsaysay had signed the corresponding bill on June 18.

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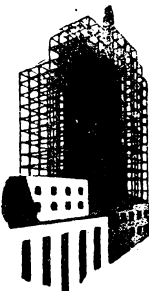
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(g) Refund of import compensating tax on sugars imported into the United States for use in manufacture of livestock feed.

(h) Secretary of Agriculture after public hearings empowered to change certain definitions if necessary of raw sugar and direct consumption sugar.

This bill was well received by none, and least of all, by the Philippines, threatened with suspension of quota unless it reverted to historical importation of Virginia tobacco under partial banning since 1954 by virtue of Republic of the Philippines Act No. 698 as amended by Republic Act No. 1194, enacted under the influence of American economic advisers to reduce dollar-consuming imports. The bill was, however, rejected by the House Rules Committee which refused to send it to the House unless subject to amendment from the floor. This was thought to have killed the measure, but the Agriculture Committee must have quickly acquiesced to the Rules Committee's views and on July 27 the bill was reported out subject to restricted debate of one hour and subject to floor amendment. There can hardly be time for its passage through both Houses if Congress still wishes to adjourn on August 1. Failure of passage, it is hoped, will afford time for the Philippines to repair the harm done by the unwelcome maneuvers of the United States tobacco interests which appear to dominate the House Agriculture Committee.

Local Market. (a) Expor Sugar. The improved New York market brought local quotations back to P14.25 per picul ex Hawaiian-Philippine warehouse, but little activity was seen as the market is for all practical purposes sold out as can readily be seen from the shipping figures.

Total exports shipments for the month were 92,628 long tons, making a total of 768,170 long tons against the 1954-55 crop, as compared with 763,884 to the same date in 1954. Total Philippine arrivals in United States for the period January 1 to July 23, 1955, are recorded at 579,382 long tons, as against 612,240 long tons for the same period in 1954.

(b) Domestic Sugar. The market shows more tone. The final Domestic marketing allotments were released without bringing about the temporary decline thought likely by many in the trade. This is a welcome feature and further improvement can safely be expected until the new crop comes in.

World Market. Opening and closing quotations were:

	Spot	Sept.	Oct.	March	May	July
July 1.....	3.20¢	3.22¢	3.20¢	3.25¢	3.27¢	—
29.....	3.22	3.23	3.22	3.22	3.24	3.24¢

At its meeting in early July the International Sugar Council Executive Committee cut all sugar quotas 5% in view of the spot price having ruled below 3.25¢ for more than the requisite 15 days. Spot thereupon recovered to 3.23¢ and has remained steady thereat throughout the month. Sales for forward shipment have been made at slightly below this price. Demand is slow as is normal at this time of the year.

Cuban sales to the world market to June 30, according to Willett & Gray, were 1,588,817 English long tons, compared with 1,099,160 English long tons to the same date last year.

According to latest press reports, the International Sugar Council has authorized the Philippines to barter 20,000 tons sugar against rice with other Oriental countries in addition to its basic quota of 24,088 metric tons for sale under normal conditions.

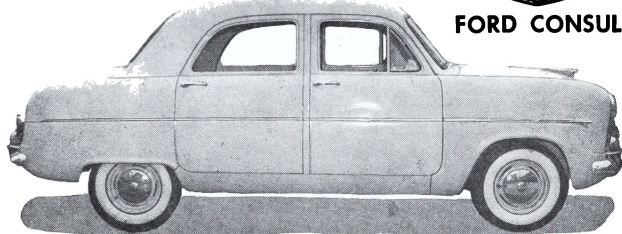
1954-55 Milling. Twenty-two of the 25 Centrals have finished milling for the 1954-55 crop with a total production of 1,206,676 short tons. Total production of all centrals to date is estimated at 1,346,498 short tons. The centrals still milling are estimated to produce an additional 38,733 short tons, or a total of 1,385,231 short tons for the whole crop. The average of juice purities to date is 84.01.

Obituary. It is with deep regret that we record receipt of word of the sudden death in the United States of Mr.

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O. H. Dersheimer, former Vice-President and General Manager of Pampanga Sugar Mills. He was a member of the Executive Committee of the Philippine Sugar Association and resided in the Philippines from 1949 to 1953.

P. S.—UNITED STATES SUGAR LEGISLATION. Since we prepared the above report further reports have reached us. The U. S. House of Representatives passed the Sugar Bill after removing the penalty provisions affecting the Philippine quota. Later we have news that the amended bill failed of passage in the Senate, largely due to the objections of Senator Fulbright.

Tobacco

By BALDOMERO FERNANDEZ

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LUIS A. PUJALTE

Wholesale Dealer & Exporter of Leaf Tobacco

THERE has been a marked improvement in the situation in Pangasinan. Prices fell to a low enough level to encourage stripping there for shipping to the United States.

In the last two weeks heavy competition has developed and prices have risen. This will greatly encourage farmers to plant extensively for the next crop.

In Isabela, prices paid are higher than expected and this will limit the exportation, especially to the United States, because of the high proportion of broken leaf (caterpillar-eaten) which naturally brings the proportion of stems and waste higher and makes the cost of stemmed-leaf higher.

Due to the last two crops having been short, buying prices in general have been quite high and it is expected that the whole crop will be purchased from the farmers.

Imports

By S. SCHMELKES

The Robot Statistics (Mercantile, Inc.)

ALL figures are in kilos with the exception of those for foodstuffs which are given in package units:

Commodities	June, 1955	June, 1954
Automotive (Total).....	4,064,713	2,098,231
Automobiles.....	786,671	196,727
Auto Parts.....	226,975	242,088
Bicycles.....	5,624	10,443
Trucks.....	267,050	143,680
Truck chassis.....	460,475	468,169
Truck parts.....	1,841,527	—
Building Materials (Total).....	8,054,530	4,732,196
Board Fibre.....	—	—
Cement.....	118,931	262,245
Glass Window.....	487,847	630,072
Gypsum.....	12,880	9,072
Chemicals (Total).....	6,652,708	5,611,383
Caustic Soda.....	618,510	553,895
Explosives (Total).....	45,332	53,906
Firearms (Total).....	17,030	9,821
Ammunition.....	5,285	7,157
Hardware (Total).....	9,415,463	6,039,059
Household (Total).....	2,555,124	790,867
Machinery (Total).....	3,966,007	2,620,368
Metals (Total).....	14,485,933	8,440,967
Petroleum Products (Total).....	79,093,949	63,097,381
Radios (Total).....	126,645	44,144
Rubber Goods (Total).....	1,494,957	1,066,747
Beverages, Misc. (Alcoholic).....	12,599	8,690
Foodstuffs, Total kilos.....	31,668,770	28,723,517
Foodstuffs, Fresh (Total).....	31,814	42,284
Apples.....	2,772	800
Oranges.....	10,013	15,308
Onions.....	10	3,000
Potatoes.....	46	1
Foodstuffs, Dry Packaged (Total).....	36,783	24,639
Foodstuffs, Canned (Total).....	416,183	386,658
Sardines.....	62,918	20,666

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Milk, Evaporated.....	140,948	175,155
Milk, Condensed.....	26,899	3,361
Foodstuffs, Bulk (Total).....	701,290	723,492
Rice.....	19,599	—
Wheat Flour.....	617,502	659,931
Foodstuffs, Preserved (Total).....	923	886
Bottling, Misc. (Total).....	603,445	674,716
Cleaning & Laundry (Total).....	49,388	96,840
Entertainment Equipmt. (Total).....	5,774	4,620
Livestock-bulbs-seeds (Total).....	94,539	90,260
Medical (Total).....	483,033	1,033,148
Musical (Total).....	115,820	54,459
Office Equipment (Total).....	304,195	155,258
Office Supplies (Total).....	33,924	31,968
Paper (Total).....	8,084,889	4,912,661
Photographic (Total).....	—	48,053
Raw Materials (Total).....	1,188,058	1,327,413
Sporting Goods (Total).....	14,985	17,677
Stationery (Total).....	268,041	274,436
Tobacco (Total).....	522,544	1,492,289
Chucheria (Total).....	120,233	91,019
Clothing Apparel (Total).....	411,268	223,744
Cosmetics (Total).....	34,530	40,779
Fabrics (Total).....	1,066,296	848,281
Jewelry (Total).....	209	1,213
Leather (Total).....	435,750	175,024
Textiles (Total).....	3,705,782	3,384,410
Twine (Total).....	85,300	44,452
Toys (Total).....	3,062	12,369
General Merchandise (Total).....	1,921,997	1,927,084
Non-Commercial Shipments (Total).....	128,780	183,143
Advertising Materials, etc. (Total).....	25,025	2,160,277

Food Products

By C. G. HERDMAN

Vice-President, Marsman & Company, Inc.

CONDITIONS in the local market as regards foodstuffs remain unchanged from the past two or three months.

Wheat flour arrivals for July were well above 800,000 (50 lb.) bags as against the estimated consumption of 700,000; hence the very considerable overstock of flour which existed at the end of June has been increased. August arrivals will be very light but it is evident flour overstock will not be cleared up before the middle of October.

There continue to be quite heavy importations of all varieties of canned foods and there are ample stocks on hand of all kinds of canned milk, canned meats, canned fish, as well as canned fruits and vegetables. Canned corn which was previously banned, has now been re-classified by the Central Bank as a "Non-Essential Consumer" item and its importation in restricted quantities will now be possible.

Supplies of fresh fruits and vegetables have been quite large. The Philippines has been particularly free of typhoons so far this year with the accompanying heavy rains, and if this condition continues we will undoubtedly have continued ample supplies of fresh vegetables.

Textiles

By A. MARGOLLES
General Manager

Neuss, Hesselin Co., Inc.

THE Central Bank directive cancelling the unutilized import licenses for textiles as of July 14, only a few days after officially releasing the third-quarter allocations, has created confusion throughout the trade and is seen as a most unfortunate move, placing a considerable number of license holders in a position of being unable to honor, with overseas suppliers, the commitments made upon the release of their quotas. This is bound to create misgivings in the minds of overseas suppliers as well as local traders in future dealings.



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The reports and statements made about the existence of ample supplies to last for a period of years cannot be substantiated when taking as a basis the consumption in past years and the intrinsic nature of the textile trade. It is true that arrivals during the last few months have been above the average; it is also true that in some articles there is oversupply, but it is equally true that in many lines, particularly in standard materials of everyday use and wear for the lower-income sections of the population, there are only normal average stocks; shortages will occur as time goes by unless regular imports are resumed, and what is feared more is that, in common with any commodity for which supply is less than demand, a rise in consumer prices will be unavoidable.

This bare, hard rule of supply and demand is the most logical yardstick with which to measure the implications of the ban on textile imports, and the general view in the trade is that if this import vacuum is prolonged, the result will be a general shortage of standard materials of everyday use, and also increased prices, which may reach serious proportions in those materials in very short supply.

By virtue of being the largest import commodity and, consequently, the one allotted a major part of foreign exchange, textiles have always been regarded in many circles as a favored trade, and the impression has been allowed to be created among the general public that there is always an over-supply of textiles and that import quotas could stand a severe curtailment. This is an unwise and dangerous state of mind because it must be remembered and appreciated that after food, clothing is life's most essential need and cannot be considered a luxury, a non-essential, or allowed to be in short supply. In times of sacrifice textiles should not be discriminated against while other commodities which are not as essential to the life and well-being of the population, are left untouched. Statistics for the last five years show that the average yearly import permits only a supply of about 10 square yards per capita per year, or roughly two changes of clothing. The world's average consumption last year was 41 square yards. The United States average per capita per year is 150 square yards.

Let it be said that the textile trade is not unconscious of the acute foreign exchange situation and would be happy to cooperate with the authorities in every way, as befits the largest segment of the import trade of this country. It is to be regretted that no previous consultations with the textile trade associations took place before this latest move to ban imports; nevertheless, it is sincerely hoped that as a result of this development a closer understanding and cooperation between the authorities and the trade will be established and that a re-examination will be allowed of important matters like re-classification of items in the essential and non-essential categories (now only denims are considered essential articles of import and all other materials representing the bulk of textile imports are classified as non-essentials), allocation of exchange to the various groups, etc., all of which would redound to the benefit of the consuming public and to the benefit of the country, without involving additional foreign exchange expenditure.

THE local market in July was dominated by the announcement of the ban on textile imports and considerable activity took place with prices firming all along the line and cash being demanded for sales. The New York market has experienced a firmer tendency during the last few weeks, particularly on cotton goods.

Arrivals in July have been the lowest for months, with a total of 19,735 packages. From the United States there arrived 14,369, of which 5,887 were cotton piece goods, 1,281 rayon piece goods, 1,743 cotton pound goods, 587 rayon pound goods, 2,356 yarns, and 1,022 sewing threads. From other countries there arrived a total of

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5,366 packages, of which 3,454 came from Japan consisting mostly of cotton and rayon piece goods; 1,040 from Hongkong, consisting mostly of cotton piece goods and cotton yarns; and 872 from Europe, consisting mostly of yarns and threads.

Legislation, Executive Orders, and Court Decisions

By EWALD E. SELPH
Ross, Selph, Carrascosa & Janda

THERE are pending at this writing before the current special session of Congress (July 7 to August 10) the following bills:

H. B. 2468, "An Act defining a land tenure policy, providing for an instrumentality to carry out the policy, appropriating funds for its implementation, and for other purposes".

H. B. 2381, "An Act appropriating funds for public works".

H. B. 2702, "An Act to amend, repeal, and add new sections to Republic Act No. 580, otherwise known as the Home Financing Act, to enable the Home Financing Commission to carry out its functions effectively and to correct the deficiencies of the Act in order to make it more responsive to peculiar local needs and requirements".

H. B. 2144 (H.B. 2900) (H.B. 2977) (H.B. 3370), "An Act to provide a sound basis for foreign capital investment in the Philippines, providing for the administration of this Act by the National Economic Council, appropriating additional funds in connection therewith, and for other purposes".

H. B. 4506, "An Act to amend Republic Act No. 1267, entitled 'An Act creating the Court of Agrarian Relations, prescribing its jurisdiction, and establishing its rules of procedure'".

H. B. 2676, "An Act to amend Republic Act No. 180, as amended, otherwise known as the Revised Election Code".

H. B. 4501, "An Act to amend Section 2 (K) of Commonwealth Act No. 120, entitled 'An Act creating the National Power Corporation, prescribing its powers and activities, appropriating the necessary funds therefor, and reserving the unappropriated public waters for its use, as amended by Section 1 of Republic Act No. 358'".

H. B. 3220, "An Act to prohibit the so-called No-Dollar Imports except under certain conditions".

H. B. 4413, "An Act authorizing the creation of positions of internal-revenue field collectors to take over the function of Municipal and City Treasurers relative to collection, accounting and remittance of national revenues, and appropriating funds therefor".

H. B. 4163, "An Act amending Section 11 of the Philippine Tariff Act of 1909 and exempting textiles made of 100% Philippine ramié fiber from the payment of duty to provide incentives for the development of the ramié industry".

H. B. 3968, "An Act amending certain provisions of Republic Act No. 1082, entitled 'An Act strengthening health and dental services in the rural areas, and providing funds therefor'".

H. B. 4196, "An Act to amend certain items in Republic Acts Nos. 670, 920, 1156, and 1200." (re Public Works Acts.)

H. B. 4279, "An Act authorizing the President of the Philippines to issue bonds in the amount of P10,000,000 to finance cadastral surveys throughout the Philippines and authorizing the Director of Lands to take measures to insure collection of the survey costs and other charges".

H. B. 2650, "An Act creating a Juvenile and Domestic Relations Court in the City of Manila, amending for this purpose Republic Act No. 409, otherwise known as the Charter of the City of Manila".

H. B. 4504, "An Act to amend the Charter of the Central Bank enlarging its powers, and for other purposes".

H. B. 4513, "An Act to be known as 'The Philippine Overseas Shipping Act of 1955'".

H. B. 4515, "An Act to impose a special import tax on all goods, articles or products imported or brought into the Philippines, and to repeal Republic Acts Nos. 601, 814, 871, 1175, 1197, and 1375".

S. B. 386, "An Act increasing the paid-up capital of the Rehabilitation Finance Corporation by P50,000,000, creating a deposit and guarantee fund, appropriating funds therefor, and for other purposes".

S. B. 387, (H.B. 2744) "An Act establishing an Apprenticeship Training System and a National Apprenticeship Council, defining the powers and duties of the said Council and providing funds therefor".

S. B. 389, "An Act to encourage and assist in the establishment of Mortgage Bank Corporation by P50,000,000, creating a deposit and guarantee fund for the economic development of the country through private initiative, appropriate funds therefor, and for other purposes".

S. B. 207, (H.B. 2574) "An Act to amend Sections 50, 51, and 52 of Republic Act No. 296, otherwise known as the 'Judiciary Act of 1948', as amended".

S. B. 390, (H.B. 4507) "An Act to authorize the fixing of floor prices for agricultural products, appropriating funds therefor, and for other purposes".

S. B. 383, "An Act to amend Republic Act No. 1245 entitled 'An Act amending Section 2219-1/2 of the Revised Administrative Code and for other purposes'. (Rural Councils)

S. B. 358, "An Act to facilitate the entry into the Philippines as international traders of nationals of the United States".

S. B. 391, "An Act to create the Home Financing Administration, to provide liberal home financing through an insured mortgage system, thereby stimulate home ownership and develop thrift through the accumulation of savings in insured institutions, repealing Republic Act No. 580."

THE following bills were passed by both Houses:

H. No. 2557—An Act defining a land tenure policy, providing for an instrumentality to carry out the policy, and appropriating funds for its implementation.

H. No. 2650—An Act creating a Juvenile and Domestic Relations Court in the City of Manila, amending for this purpose Republic Act No. 409, otherwise known as the Charter of the City of Manila.

H. No. 3187—An Act to amend in certain particulars Commonwealth Act No. 338, known as the Charter of the City of Tagaytay.

H. No. 4279—An Act authorizing the President of the Philippines to issue bonds in the amount of ₱10,000,000, under the provisions of Republic Act No. 1000, to finance cadastral surveys throughout the Philippines, and authorizing the Director of Lands to take measures to insure collection of the survey costs and other charges.

H. No. 4306—An Act appropriating funds for public works.

H. No. 4366—An Act to amend section 13 of Republic Act No. 720 entitled "An Act providing for the creation, organization, and operation of rural banks and for other purposes."

H. No. 4412—An Act appropriating the sum of ₱50,000,000, out of the proceeds of the bond issue authorized by Republic Act No. 100, to finance the establishment of one or more pig iron smelting plants by the National Shipyards and Steel Corporation, and to provide said corporation with operating capital.

H. No. 4501—An Act to amend section 2(k) of Commonwealth Act No. 120, entitled "An Act creating the National Power Corporation, prescribing its powers and activities, appropriating the necessary funds therefor, and reserving the unappropriated public waters for its use", as amended by section 1 of Republic Act No. 358.

H. No. 4505—An Act to amend the first paragraph of section 1 of Act No. 3500, as amended. (re toll bridges.)

H. No. 4506 (S. No. 382)—An Act to amend certain sections of Republic Act No. 1267. (re Court of Agrarian Relations.)

H. No. 4508—An Act appropriating the sum of ₱20,000,000 to implement Republic Act No. 899 which creates a revolving fund for the construction, reconstruction, or improvement of irrigation systems.

H. No. 4512—An Act to amend section 11 of the Philippine Tariff Act of 1909 and exempting textiles made of 100% Philippine ramie fiber from the payment of duty to provide incentives for the development of the ramie industry.

H. No. 4513—An Act to be known as the Philippine Overseas Shipping Act of 1955.

H. No. 4516—An Act to impose a special import tax on all goods, articles, or products imported or brought into the Philippines, and to repeal Republic Acts Nos. 601, 814, 871, 1175, 1197, and 1375.

S. No. 207 (H. No. 2574)—An Act to amend sections 50, 51, and 52 of Republic Act No. 296, otherwise known as the Judiciary Act of 1948, as amended. (re judicial districts: detail of judges, etc.)

S. No. 324—An Act to amend section 271 of the Revised Administrative Code, as amended, relative to vacation leave of judge of first instance.

S. No. 351 (H. No. 3977)—An Act exempting investments in government debt bonds and deposits in banks from inquiry or investigation for the purpose of taxation.

S. No. 358 (H. No. 2602)—An Act to facilitate the entry into the Philippines as international traders of nationals of the United States.

S. No. 383—An Act to amend Republic Act No. 1245 entitled, "An Act amending section 2219-1/2 of the Revised Administrative Code and for other purposes." (re barrio councils.)

S. No. 384—An Act to prohibit the so-called "no-dollar" imports except under certain conditions.

Taxes

By WASHINGTON SYCIP

Sycip, Gorres, Velayo & Company

SUMMARIZED below are some of the ruling issued by the Bureau of Internal Revenue in June and July, 1955.

1. Income Tax

If the dependents of a resident alien continuously make their home elsewhere, he is not considered the head of a family, irrespective of the question of support, and, therefore, is not entitled to the personal exemption of ₱3,000.00 and additional exemption of ₱600.00 for each child. However, this Office has, on various occasions, ruled that a resident alien, who is married but whose wife is residing abroad, is entitled to a personal exemption of ₱3,000.00 as a married person within the purview of section 23(b) of the National Internal Re-

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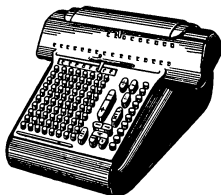
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venue Code, provided proof of marriage is established to the satisfaction of this Office. A resident alien with child abroad is not entitled to credit as the head of a family. (BIR Ruling, June 28, 1955)

2. Percentage Tax

(a) This Office has consistently ruled that a contract calling for the sale and installation of air-conditioning units, refrigeration units, and elevators is essentially a contract of purchase and sale of such articles and not a sale of services, the installation being merely incidental to the main contract of sale. Such being the case, the importer or manufacturer of the air-conditioning units, refrigeration units, and elevators are subject to the sales tax imposed under section 185 or 186 of the National Internal Revenue Code and not under section 191 of the same Code. (BIR Ruling, June 22, 1955)

(b) It appearing that the National Marketing Corporation is a tax-exempt corporation under the provisions of section 16(c), Republic Act No. 1345 which provides as follows:

"The NAMARCO shall be exempt from all taxes incidental to its operation except as herein provided for. All notes, bonds and debentures and other obligation issued by the NAMARCO shall be exempt from all taxes both as to principal and interests, except inheritance and gift taxes." all importation of commodities made by the said corporation for distribution at reasonable prices to Filipino retailers and businessmen are exempt from the specific taxes imposed under Title IV of the National Internal Revenue Code or from the advance sales tax prescribed in section 183(B), also of the Tax Code. (BIR Ruling, July 5, 1955).

(c) A company is not subject to the 3% contractor's tax on the re-capping and or vulcanizing of worn-out or defective automobile and truck tires, the business not being one of those mentioned in section 191 of the Tax Code as subject thereto. (BIR Ruling, June 27, 1955).

3. Specific Tax

(a) If you are to use a wax wrapping machine in covering the cartons, where you pack your products, with wax paper, the cigarettes so packed shall be considered as mechanically packed in accordance with section 137 of the Tax Code and, therefore, the tax on the cigarettes so packed shall be increased by one hundred and twenty per centum per thousand cigarettes in accordance with the same section of the same Code. (BIR Ruling, June 3, 1955)

(b) For purposes of the provisions of section 127 of the National Internal Revenue Code, alcohol is considered the chief ingredient of medicinal and toilet preparations, flavoring extracts, and all other preparations, if, after excluding water, alcohol constitutes more than 50% of the preparation by volume. The aforesaid preparations, of which, excluding water, alcohol constitutes more than 50% of the preparation by volume is subject to the specific tax imposed by section 133 of the same Code on distilled spirits. (General Circular No. 468) (BIR Ruling, June 24, 1955)

4. Documentary Stamp Tax

To impose a documentary stamp tax on a passage fare to be shouldered by the World Health Organization would be indirectly taxing the funds of this organization. Since this Organization is expressly exempt from such taxes under the Agreement between the Philippines and the Organization, passage tickets paid for by this Organization are exempt from the documentary stamp tax on passage tickets imposed under section 228 of the National Internal Revenue Code. (BIR Ruling, June 29, 1955)

TAX CALENDAR--SEPTEMBER, 1955

September 8, 1955

1. Last day for taxpayers with fiscal years ending June 30, 1955, exempt under Act 35 or 901, to submit the following to the Department of Finance:



*This roll is made from the
finest imported tissue*

1000 Sheets 4-1/2" x 4-1/2" to a roll

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- a. Balance Sheet, June 30, 1955
 b. Statement of Income for the year ended June 30, 1955
 c. Manufacturing Statement for the year ended June 30, 1955
 d. Schedules showing values of all real and personal properties of the industrial plant or factory (Department Order No. 185, Revised).

September 10, 1955

1. Last day for payment of amusement taxes for August, 1955 (Sec. 260 National Internal Revenue Code).
2. Last day for submission of monthly report by radio dealers (Sec. 295 National Internal Revenue Code).
3. Last day for employers who withheld taxes of ₱200 or more from salaries and wages of employees during the month of August to deposit such funds with the provincial, municipal, or city treasurer or Collector of Internal Revenue (Sec. 22 Revenue Regulations No. V-8-A).

September 15, 1955

1. Last day for corporations having fiscal years ending April 30, 1955, to pay first installment of income tax (50%) (Sec. 51-c National Internal Revenue Code).
2. Last day for corporations having fiscal years ending January 31, 1955, to pay second installment of income tax (50%) (Sec. 51-c National Internal Revenue Code).

September 29, 1955

1. Last day for corporations and partnerships having fiscal years ending July 31, 1955, to file their income tax returns (Sec. 46-c National Internal Revenue Code).

September 30, 1955

1. Last day for taxpayers having fiscal years ending August 31, 1955, to submit their year-end inventories to the Bureau of Internal Revenue (Sec. 13 Revenue Regulations No. V-1).

Advertising

By GEORGE COHEN

General Manager, The Robot Statistics
 (Mercantile, Inc.)

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3. Chelsea Cigarettes	15,801.95
4. Purico	15,082.52
5. Camay Soap	13,643.28

Five Top classifications

1. Cigarettes	₱ 89,568.04
2. Schools	74,249.44
3. Department Stores	46,198.87
4. Soft-drinks	37,895.54
5. Headache and Colds Drugs ..	36,302.99

Five Top Advertisers

1. Philippine Manufacturing Co.	₱55,256.93
2. Sterling Products International ..	31,772.80
3. Colgate-Palmolive, Phils.	31,341.07
4. Aguinaldo, L. R.	31,301.76
5. La Perla Cigarette Factory ..	28,360.26

Total advertising volume: ₱1,625,855.73

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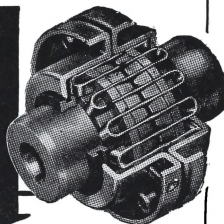
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Chamber Business

By STANLEY N. FISHER
Executive Vice-President

American Chamber of Commerce of the Philippines

BELL Trade Revision Committee. Chairman Victor Smith and member Allan O'Gorman attended two public hearings of the House Ways and Means Committee in recent weeks to discuss passage of a bill to implement the Langley-Laurel Agreement by abolishing the 17% exchange tax and replacing it with a special (17% to start) import levy. Following the first public hearing, the Chamber issued Special Bulletin No. 41, July 28, 1955, calling to members' attention that if either of the two bills before the House were passed into law without amendment, the exemption pattern of CB Circular No. 62 of July 1, 1955, would not be continued, as one bill made no provisions for exemptions and the other bill exempted only canned milk, and machinery and/or raw materials to be used by new and necessary industries.

Word that a second public hearing was to be held at 2:30 P.M., Thursday, August 4, 1955, came to the Chamber only at 9:00 o'clock that same morning. Notice was immediately sent to Messrs. Smith and O'Gorman and to various members known to be also members of the various importers associations concerned (food, machinery, drugs and pharmaceuticals, etc.), with the result that the public hearing was well attended by a large number of informed businessmen who spoke out emphatically for the amendment of the bills so that the CB Circular 62 exemptions from the exchange tax would be carried over to the special import levy.

On Tuesday, August 9, 1955, the House passed H. No. 4516, An Act to Impose a Special Import Tax, Etc., by a vote of 57 to 1, which not only transferred all the CB 62 exemptions from exchange tax to import levy, but included a revised list of exempted drugs and pharmaceuticals which had been prepared by the Drug Importers Association.

On August 10, in the morning, the Senate Committee on Finance reported favorably on H. No. 4516, with a few minor amendments, and at 11:30 P. M. on the same day the Senate passed the bill with a few more, but still minor, amendments.

Civic Affairs Committee. Acting on behalf of the American Chamber of Commerce, Vice-President W. O. Palmer, III, braved the elements (rain) on Sunday afternoon, July 24, and, in cooperation with President Carlos Palanca, Jr., of the Manila Jaycees, planted a Memorial Tree at the Luneta during the ceremonies which ushered in the celebration of Arbor Week.

Foreign and Domestic Trade Controls Committee. Upon receipt of the following cable from the Philippine-American Chamber of Commerce in New York on July 21,

THE UNEXPECTED AND SUDDEN CANCELLATION BY THE CENTRAL BANK OF UNUTILIZED TEXTILE QUOTAS HAS RESULTED IN PROTESTS FROM OUR TEXTILE EXPORTER MEMBERS ON THE GROUND THAT THE MILLS HAVE STARTED PROCESSING GOODS TO MEET PHILIPPINE TASTE AND SPECIFICATIONS AGAINST ORDERS PLACED BY MANILA IMPORTERS. THESE GOODS



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and at the request of our own textile-importing members, the committee took this matter under consideration and presented its views to the Board of Directors at its last regular meeting on Monday, August 8. In line with the views of the committee, concurred in by the Board, copy of the above cable was transmitted to the Monetary Board of the Central Bank and a letter written to the Philippine-American Chamber of Commerce in New York, an excerpt from which is quoted as follows:

"Although the Chamber is, of course, in sympathy with its textile-importing members, and takes a very dim view of the Monetary Board's action... this whole matter has already elicited so much unfavorable comment that it was deemed inadvisable for the Chamber to take any other action than to forward a copy of your cable to the Monetary Board."

Membership Committee. Since last report, an application for associate membership from Mr. J. C. Click, associated with the member-firm of Williams Equipment Company, has been accepted.

United States Investments in the Philippines Committee. This committee held a luncheon meeting on Thursday, August 11, at which finishing touches were put on an extensive report, prepared by the various sub-committees, on the present investment climate (including laws, rules, regulations, as well as recommendations). This report will be submitted to the Board of Directors of the Chamber within the next few days.

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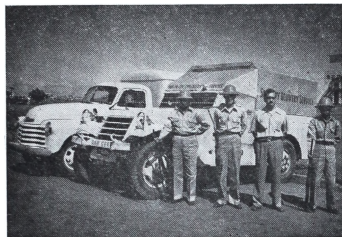
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**COST OF LIVING PRICE INDEX FOR WAGE EARNERS,
FAMILIES IN MANILA, BY YEAR AND MONTH, 1935-1954**
(1941=100)

Bureau of the Census and Statistics

Year and Month	All Items (100)	Food (63.43)	House Rent (11.96)	Clothing (2.94)	Fuel, Light and Water (7.73)	Miscellaneous (14.84)	Purchasing Power of a Peso
1935.....	89.7	89.7	96.4	89.7	85.1	90.2	1.1148
1936.....	87.4	88.3	96.6	88.4	77.5	87.7	1.1442
1937.....	88.8	88.3	96.4	88.2	85.2	89.5	1.1261
1938.....	92.1	92.1	96.8	92.2	88.8	92.5	1.0858
1939.....	93.2	94.8	97.7	94.8	84.3	92.9	1.0730
1940.....	97.3	98.9	98.9	99.0	89.9	96.7	1.0277
1941.....	100.0	100.0	100.0	100.0	100.0	100.0	1.0000
1945.....	691.5	834.3	236.4	1448.4	379.1	650.9	0.1446
1946.....	521.7	649.4	236.4	649.7	348.2	383.3	0.1917
1947.....	387.2	415.4	453.9	256.8	310.0	272.2	0.2583
1948.....	364.2	386.1	453.9	208.4	288.9	259.1	0.2746
1949.....	343.7	357.9	453.9	198.4	272.9	251.1	0.2910
1950.....	332.9	333.7	453.9	270.7	252.0	282.8	0.3004
1951.....	352.6	361.5	453.9	365.3	248.0	285.7	0.2836
1952.....	339.4	347.4	453.9	295.9	244.1	268.4	0.2946
January.....	342.8	350.9	453.9	330.8	247.5	269.7	0.2917
February.....	341.2	349.8	453.9	311.2	243.4	268.5	0.2931
March.....	337.9	345.1	453.9	301.1	243.4	268.1	0.2959
April.....	335.9	342.7	453.9	300.7	243.4	264.6	0.2977
May.....	335.1	341.8	453.9	293.2	243.4	264.4	0.2984
June.....	338.1	346.3	453.9	290.2	243.4	265.5	0.2952
July.....	340.4	349.5	453.9	286.6	243.4	268.1	0.2938
August.....	340.7	349.4	453.9	289.1	243.4	269.9	0.2938
September.....	341.1	350.0	453.9	287.7	243.4	270.7	0.2935
October.....	337.6	344.6	453.9	289.3	243.4	269.4	0.2962
November.....	340.5	349.3	453.9	286.2	243.4	269.8	0.2937
December.....	340.9	348.9	453.9	284.4	247.5	272.3	0.2933
1953.....	318.2	314.3	453.9	280.1	243.7	269.5	0.3143
January.....	337.3	343.2	453.9	283.7	247.4	272.4	0.2965
February.....	323.0	321.1	453.9	281.5	243.4	273.0	0.3096
March.....	318.6	314.3	453.9	281.5	243.4	272.4	0.3139
April.....	317.6	312.8	453.9	281.1	243.4	272.2	0.3149
May.....	314.3	307.8	453.9	280.9	243.4	271.1	0.3182
June.....	313.1	306.0	453.9	277.8	243.4	271.1	0.3194
July.....	316.0	311.0	453.9	277.8	243.4	269.5	0.3185
August.....	316.1	311.9	453.9	277.8	243.4	266.4	0.3164
September.....	315.8	311.6	453.9	277.8	243.4	265.6	0.3157
October.....	315.2	310.6	453.9	276.0	243.4	266.4	0.3172
November.....	315.2	310.1	453.9	280.9	243.4	267.0	0.3173
December.....	315.5	310.7	453.9	280.9	243.4	267.0	0.3170
1954.....	312.9	307.3	453.9	274.1	236.2	268.7	0.3196
January.....	311.7	304.7	453.9	279.3	243.4	267.0	0.3208
February.....	301.5	290.0	453.9	278.3	232.1	267.0	0.3317
March.....	301.1	289.5	453.9	274.9	232.1	267.0	0.3321
April.....	302.9	292.5	453.9	272.2	232.1	266.8	0.3301
May.....	309.7	302.8	453.9	272.2	235.7	266.5	0.3229
June.....	312.6	306.9	453.9	271.8	236.4	267.3	0.3199
July.....	318.6	316.2	453.9	278.5	236.7	267.9	0.3139
August.....	321.6	320.7	453.9	274.7	236.7	269.3	0.3109
September.....	321.3	320.0	453.9	271.7	236.7	271.0	0.3112
October.....	317.8	314.4	453.9	271.8	236.7	271.2	0.3147
November.....	318.2	314.9	453.9	271.8	236.7	271.5	0.3143
December.....	318.5	315.4	453.9	272.2	236.7	271.5	0.3140
1955.....							
January.....	311.4	304.2	453.9	272.0	236.7	271.5	0.3211
February.....	305.3	294.9	453.9	267.6	236.7	271.2	0.3275
March.....	303.9	292.9	453.9	267.6	236.7	270.1	0.3291
April.....	303.9	293.6	453.9	267.6	236.7	266.8	0.3291
May.....	307.0	299.2	453.9	265.8	236.7	264.4	0.3257
June.....	309.1	302.4	453.9	266.0	236.7	264.4	0.3235
July.....	312.0	307.3	453.9	267.9	236.7	263.0	0.3205

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Philippine Safety Council

By FRANK S. TENNY

Founder and Executive Director

THE Philippines now possesses a Police Chiefs' Association, known as the APCOP, after six years of planning. About 600 local chiefs of police attended the first annual convention last month and various organizational tasks were undertaken. It is hoped that this activity will increase efficiency, cooperation, and uniformity between police departments. Col. C. V. Alba, Malacañan Police Advisor and former Quezon City chief, was elected as President. The Council will assist in an advisory capacity.

Atty. Ruben A. Villaluz has been reinstated as Chief of the Motor Vehicles Office and it was reported that he has instigated charges against a large number of employees there. Friction based upon disagreements in internal administration has developed in the Safety Engineering Division of the Labor Department. It is hoped that these factors will not interfere with the functioning of either office, they both being important public safety agencies.

A most harmonious and effective relationship has been developed between the Philippine National Red Cross and the Safety Council insofar as safety matters are concerned. For the year 1955-56 a program has been arranged whereby both groups will supplement the safety-educational efforts of the other, with joint classes and meetings being held in many instances. The PNRC specializes in water-safety and first aid, while the PSC handles fire-prevention, driver-training and security matters.

The "Award of Merit" for excellence in safety matters for 1954 was presented recently to the Mobile Patrol Bureau of the Manila Police Department, under Capt. Isaias Alma Jose. The citation stated that the presence of these radio-patrol cars on the streets had created a new confidence in the minds of the public and tended to reduce crime and accidents.

After much planning, the Civil Defense and Disaster Organization for the City of Manila is ready to get underway as soon as the budgetary items are settled. This is of great importance to businessmen, as their establishments and personnel will be affected. A special committee, of which the American Chamber of Commerce is a member, has been formed to represent com-

mercial interests. Your author is the Technical Advisor.

The Taxicab Inspection Service observed its 6th anniversary this month, and pointed to a reduction in violations and accidents since 1949 which in some cases amounted to 93%. During that period, almost 2,000 drivers were eliminated as unfit. Inspection patrol cars continue to roam the streets day and night for the protection of the public. Although further improvement is anticipated, much has already been accomplished.

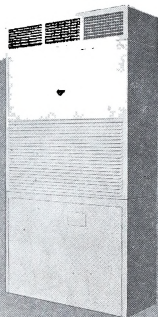
The Council is beginning a specialized guard-training program for member companies which includes

unarmed defense (judo), first-aid, marksmanship, swimming, driving, and fire-fighting instruction. This is practical field work, classroom theory having been in most cases completed. A survey has disclosed that many security guards are not properly trained in these factors.

The Public Health Association, headed by Dr. Romeo Y. Atienza (famed for his Blood Bank), has begun a safety-educational program of some magnitude. Ways of educating both the present and the coming generations in accident-prevention are being explored. The Council is closely cooperating.

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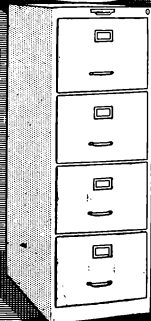
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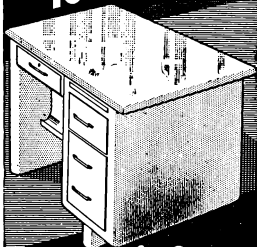
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The "LET YOUR HAIR DOWN" Column

OUR Executive Vice-President Fisher was somewhat distracted for a few days during the month and was not his usually snappy and efficient self; that was for a day or so before

and several days after July 30 when there appeared in the world 7 pounds 8 ounces of little girl now bearing the name of Mary Elizabeth Fisher, third child of the Mr. and Mrs. Fisher.

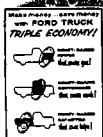
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"Ford Variety Musicale" over DZBB every Wednesday, at 7:30 to 8:00 p.m.

Mr. Fisher safely passed the crisis and is again in full stride. Congratulations all around.

WE recently received from Dover Publications, Inc., 920 Broadway, New York 10, New York, a small paper-bound, pocket-book size, 128-page publication, "Say it in French", especially designed to aid traveling businessmen. The pronunciation of the words is clearly indicated and there is an index which makes rapid use of the book easy. The book is one of a series which covers also Spanish, Italian, German, and Russian. The price is 60¢ (U.S.) per book. The copy sent us went to a son of the editor's who is now in Vietnam, one of the young doctors sent there by the "Operation Brotherhood" of the Junior Chamber International; according to his letters he has been having trouble with French.

AFTER the Journal's 35th anniversary issue had been mailed out, the editor received a letter from Mrs.

Robert S. Hendry stating, in part:

"I would be telling a white lie if I didn't admit that I like Robert's 'letter' in the issue the best, but I want you to know that I enjoyed reading your 'Future of the Philippines'. I agree with you wholeheartedly that our future is NOW."

The editor said that Mrs. Hendry was only acting the natural part of a good wife in liking her husband's contribution to that special issue the best, although he admitted that Mr. Hendry's letter, published as an arti-

cle, was a good one.

THE editor was quite peeved when his eye fell,—too late, on a typographical error in his own long poem, "The Future of the Philippines". In the third stanza, second verse, the words "the Revolution of 1898" should, of course, be "the Revolution of 1896". He was in Baguio on a week's vacation at the time the July issue of the *Journal* went to press or he might still have caught the error in the press-proof.

why
two?



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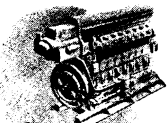
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WE lacked the space to report it in these columns last month, but we had two interesting visitors in the Office.—Mr. Reginald Owen, the well-known actor, and Mr. Cecil Broadhurst, the first one of the leading characters in, and the second the author of, the musical play, "The Vanishing Island", of which a number of performances were given in Manila by a large group which toured this part of the world under the name of the "Moral Rearmament Mission". They came to the Chamber Office to inquire into mining investment in the Philippines and were given such information as was available. Mr. Owen was also interested in the prison-

er-of-war and the internment camps here during the war and copies were obtained for him of Mr. Frederic H. Stevens' book, "Santo Tomas", and Dr. W. H. Waterous' book on the prisoner-of-war camps. The girls in the office were quite a-twitter when they recognized Mr. Owen.

A number of readers of the *Journal* wrote in to express their appreciation of Mr. Paul R. Parrette's speech on foreign investment before the Summer Training Institute of the Central Bank, published in the June issue of the *Journal*. Mr. W. A. Chittick wrote:

"I have read with a great deal of interest

your 'Foreign Investments in the Philippines' as published in the June ACC *Journal*. You certainly should be congratulated for the thoughts contained therein. "Since I started my own business here in the Philippines in May, 1948, I have steadily brought U.S. dollars from sales of my United States property, etc., here for investment in my little company. So, like yourselves, I am actually carrying out my belief in this country with my own cold cash and returning my profits back into business. Also we have financed the sending of one of our Filipino staff members to the United States twice for education there in some of our lines and we will send one more in September this year. Small, but we are actually doing it. I thought that you would be interested in knowing what we, a member of the Chamber, are actually doing.

"Meantime, have fun and a good rest on your United States trip. Sincerely, etc."

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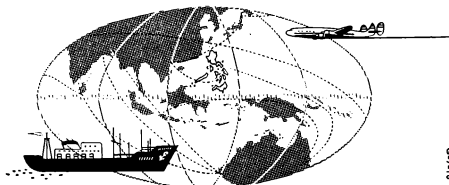
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Is "HIDDEN HUNGER" starving you and your children?



YOU MAY STILL SUFFER FROM "HIDDEN HUNGER" EVEN IF YOU FEEL SATISFIED AT THE END OF A MEAL. "HIDDEN HUNGER" IS HUNGER YOU DO NOT FEEL AT THE TIME FOR ITS RESULTS ARE DELAYED. IT IS CAUSED BY THE LACK OF CERTAIN FOODS IN YOUR DAILY MEALS. WITHOUT ENOUGH OF THESE FOODS, YOU BECOME ILL. THIS PICTURE STORY TELLS YOU WHAT THESE FOODS ARE, HOW TO GET THEM, AND WHY YOU NEED THEM EVERYDAY.

THE BASIC 6 FOOD GROUPS

LEAFY, GREEN AND YELLOW VEGETABLES

(ONE OR MORE SERVINGS DAILY)



VITAMIN C-RICH FOODS

(ONE OR MORE SERVINGS DAILY)



SUCCULENT VEGETABLES AND FRUITS

(TWO OR MORE SERVINGS DAILY)



MILK & CHEESE, ENRICHED MARGARINE, BUTTER AND OTHER FAT-RICH FOODS

(CHILDREN NEED 3 OR 4 CUPS. ADULTS 1 OR 2 CUPS OF MILK DAILY)



MEAT, POULTRY, FISH, EGGS, DRIED BEANS AND MONGO

(ONE OR MORE SERVINGS DAILY)



RICE AND OTHER ENERGY-GIVING FOODS

(THREE SERVINGS EVERY DAY)



THERE ARE 6 DIFFERENT FOOD GROUPS. THEY ARE CALLED "THE BASIC 6 FOOD GROUPS". TO STAY HEALTHY YOU NEED FOOD SELECTED FROM EACH OF THE BASIC 6 FOOD GROUPS EVERY DAY. THEY KEEP YOU STRONG, PREVENT MANY DISEASES, AND HELP RESIST INFECTION. THIS CHART SHOWS WHAT THESE FOODS ARE, AND HOW MUCH OF EACH GROUP YOU NEED EVERY DAY. THEY ARE EASY TO GET AND INEXPENSIVE AT YOUR MARKET!

1

SUGGESTED MEALS FOR 1 DAY

BREAKFAST

- BANANA FOR ANY FRUIT IN SEASON
- ENRICHED RICE
- MILK (FOR CHILDREN)
- SALABAY (FOR ADULTS)

LUNCH

- BULGOLANG (BRAGONS), PORK FRUIT & FLOWERS
- TOES EGGPLANT
- ENRICHED RICE
- FRUIT IN SEASON

SUPPER

- PICADILLO WITH MALUNGGAY
- ENRICHED RICE
- PEANUTS
- FRUIT IN SEASON

A CHILD SHOULD BE GIVEN A GLASS OF MILK EACH MEAL TIME, WHENEVER POSSIBLE.



2

BEFORE YOU GO TO MARKET, PLAN YOUR MEALS AHEAD. CHOOSE FOODS FROM THE BASIC 6 GROUPS WHICH ARE IN SEASON. BECAUSE THEY WILL BE PLENTIFUL, THRIFTY AND MORE DELICIOUS! THE MEALS PRINTED ABOVE INCLUDE ALL OF THE BASIC FOODS AND YOU CAN SEE HOW GOOD TASTING AND ECONOMICALLY THEY ARE!



4

WHEN YOU EAT ENOUGH OF THE RIGHT KINDS OF FOOD EVERY DAY—YOU PREVENT MANY "NUTRITIONAL DISEASES." THESE AILMENTS ARE CAUSED BY THE LACK OF ENOUGH OF THE BASIC FOODS IN YOUR DIET. THEY ARE BERTI-BERTI, SCURVY, ANEMIA, PELLAGRA AND OTHER SERIOUS AILMENTS. THAT IS WHY IT IS SO IMPORTANT FOR YOU TO LEARN THE BASIC FOODS, HOW TO COOK THEM PROPERLY, AND SERVE THEM TO YOUR FAMILY!



3

IF YOU HAVE PLANNED TO SERVE A CERTAIN FOOD AND CANNOT FIND IT IN THE MARKET, SUBSTITUTE ANOTHER FOOD FOR IT. BUT BE SURE IT BELONGS TO THE SAME BASIC GROUP. FOR INSTANCE, IF YOU CANNOT FIND KANGKONG, BUY MALUNGGAY, CAMOTE TOPS OR SOME OTHER LEAFY GREEN VEGETABLE INSTEAD.



5

THE BASIC FOODS SUPPLY YOUR DAILY NEEDS. YOU MUST HAVE THEM FOR HEALTH! THAT DOESN'T MEAN HOWEVER, THAT YOU CANNOT ENJOY SPECIAL TREATS. JUST BE SURE TO EAT ENOUGH OF THE BASIC 6 FOODS—THEN ADD OTHERS WHICH ESPECIALLY APPEAL TO YOU AND YOUR FAMILY!



WHEN YOU EAT THE RIGHT KIND OF FOOD, YOU FEEL WELL, LOOK WELL, AND YOU ENJOY WORK AND PLAY. THE INSTITUTE OF NUTRITION, MANILA, HAS MORE INFORMATION ABOUT THE BASIC FOODS. WRITE TO THEM FOR A COMPLETE, FREE LIST OF ALL THE BASIC 6 FOOD GROUPS YOU NEED FOR GOOD HEALTH!



THIS is one of a series of picture stories presented by the Philippine Manufacturing Company as a public service. The publication of this information in national magazines and newspapers and its distribution to other millions in the form of free pamphlets and posters is one of many ways PMPC is assisting our government achieve its objective of helping rural people to a better way of life.

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This information on the Basic 6 Food Groups has been approved by Dr. Conrado R. Pascual of the Institute of Nutrition and endorsed by Secretary of Health Paulina J. Garcia.

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