the opinion that it would be highly advisable if the exemption from tariff duties were to cover a broader description of manufactures of wood. The reason is that it is quite possible that in the years to come there will be opportunities to manufacture some other articles for which a demand might be created in the United States but which might not be effectively marketed if tariff duties were levied upon them. We would, therefore, recommend that the tax exemption be worded in a more general description; such as for instance:

"...manufactures of wood, whether or not dedicated to specific use, provided that such manufactures are disassembled parts or pieces, which do not represent a separate and/or complete manufactured article."

3. Also, it would be well to remember that there is an important potential field for exporting to the United States veneer and or plywood manufactured in the Philippines out of Philippine woods. At present Japan is exporting to the United States large quantities of veneer and plywood, using Philippine woods as raw material, and we believe that in the course of time Philippine veneer- and plywood-plants will be improved and many of the unfavorable economic factors affecting the present situation will be corrected so as to permit the Philippine raw material to be processed in the Philippines. The manufactured articles might then be exported directly to the United States and in that eventuality, it would be well if Philippine exports of veneer and or plywood were not subject to tariff duties.

Manila, August 24, 1954.

Respectfully submitted,
(Sgd.) A. DE LAS ALAS
President

Copra and Coconut Oil

By WILLIAM S. RICE, JR.
Copra Buyer, Philippine Manufacturing Company

THE September market was generally steady, and the overall tendency of prices was upward for the first month since January.

The immediate cause of rising prices seems to have been European shorts, covering. Their activity was abetted by lack of expected Indonesian copra offerings in Europe and rumors of actual Indonesian sales direct to China. Also, there was evidence that Philippine production had passed its annual peak and could be expected to decrease gradually for the remainder of the year.

On the other hand, various other factors moderated the effect of the firmness arising out of European buying-interest. American stocks of copra and coconut oil were above normal for this season of the year, and afloat shipments of copra and coconut oil continued to press American markets. Therefore American buyers did not display much active interest. Even though off slightly, Philippine production continued at high levels, and local sellers had good quantities of copra available for immediate delivery.

Copra and Coconut Oil Prices

	High	*Low*	*Close*
Copra:			
West Coast, c.i.f. per short ton	$162.50	$152.50	$162.50
Europe, c.i.f. per long ton, Sept.-Oct.	$182.50	$173.00	
Europe, c.i.f. per long ton, Oct.-Nov.	$183.00	$174.00	$182.50
Manila, fresh, 30-day delivery, resecada basis, per 100 kilos, at bodegas	₱28.50	₱27.00	₱28.50
Coconut Oil:			
West Coast, c.i.f. per pound, 60-day	11-3/4¢	11-1/8¢	11-5/8¢
East Coast, c.i.f. per pound, 60-day	12-1/4	11-1/2	11-7/8

Copra Cake and Meal Prices. The anticipated price improvement did not develop. Large shipments of Fiji Island cake to the American West Coast were credited with depressing that market. Prices had declined $5 at month-end to about $56 per short ton c.&f. West Coast. The immediate prospects for better prices are not very good because large quantities of October and November production are reported to be unsold.

Following recent active buying, European buyers appear satisfied for the moment and display little buying interest now.

Copra Statistics

PHILIPPINE COPRA AND COCONUT OIL EXPORTS
(In long tons)

Copra Exports:	*July*	*August*	*September*
United States	26,887	35,117	24,304
Europe	33,150	35,200	40,534
Other countries	11,934	11,000	8,350
Total	71,971	81,317	73,188
Coconut Oil Exports:			
United States	5,823	6,495	7,663
Other countries	—	—	—
Total	5,823	6,495	7,663

MANILA AND CEBU COPRA ARRIVALS
(In metric tons)

	Manila		*Cebu*		*Manila and Cebu*		*Percentage*
	1954	*1953*	*1954*	*1953*	*1954*	*1953*	*1954/53*
January	13,038	8,448	10,490	12,682	28,528	21,130	135.0%
February	11,674	7,741	14,218	13,029	25,892	20,770	124.7%
March	10 356	6.897	14.170	17,991	24,526	24,888	98.5%
April	10,300	8,305	13,926	13,880	24,226	21,685	111.7%
May	14,529	9,202	19,307	10,164	33,836	19,366	174.7%
June	13,601	10,541	19,464	14,462	33,065	25,003	132.2%
July	17,578	13,620	23,889	18,182	41,467	31,802	130.4%
August	19,025	14,641	26,845	20,413	45,870	35,054	130.9%
September	17,091	17,027	21,510	19,779	38,601	36,806	104.9%
Totals	127,192	96,422	168.819	140,582	296,011	236,504	125.2%

PHILIPPINE AND INDONESIAN COPRA EXPORTS
(In metric tons)

	*Philippine Copra Exports**			*Indonesian Copra Exports*		
	1954	*1953*	*1954/53*	*1954*	*1953*	*1954/53*
January	53,992	41,025	131.6%	15,116	14,230	106.2%
February	58,879	38,672	152.3%	17,644	18,884	93.4%
March	60,919	50,168	121.4%	23,210	19,559	118.7%
April	55,951	48,745	114.8%	20,673	17,258	119.8%
May	65,249	36,536	178.6%	36,726	5,854	627.4%
June	75,978	48,144	157.8%	21,465	17,266	124.3%
July	82,513	64,359	128.2%		29,568	
August	93,093	71,010	131.1%			
September	86,717	75,804	114.4%			
Total	633,291	474,463	133.5%			

*Includes coconut oil exports converted to copra.

Production and Future Prospects. Philippine exports and arrivals at principal ports show a downtrend from the August peak and tend to indicate the onset of the usual seasonal decline in production. Nevertheless, the figure indicate current production is still ahead of that for the same period last year. There has been a corresponding upward turn in the price which may be expected to continue through the rest of the year.

Desiccated Coconut

By Howard R. Hick
President and General Manager
Peter Paul Philippine Corporation

THIS report covers the period from August 15 to September 15, during which time copra and coconuts dipped slightly but continued a general low cost. This is very unusual condition and it is now the fourth consecutive month during which there have been but slight changes in raw-material costs.

Desiccated coconut factories have increased production, and a month's record for the year, 12,000,000 pounds, was shipped. All factories are continuing during the month of September similarly, in anticipation of increased consumption in the United States during the fall months. This increased production may offset the poor start made during the first quarter of this year.

Several companies are working on new products and the industry is watching these developments closely. Labor problems remain the same and generally there is a stable picture for the last quarter of the year 1954.

The following shipping statistics are for the month of August:

Shippers	*Pounds*
Franklin Baker Company	4,870,375
Blue Bar Coconut Company	1,244,030
Peter Paul Philippine Corporation	1,922,000
Red V Coconut Products, Ltd.	3,086,000
Sun Ripe Coconut Products, Inc.	689,600
Cooperative Coconut Products, Inc.	230,900
Total shipped	12,051,905 lbs.