



What the Diggers Are Doing



SORIANO:

International Engineering — Batong Buhay: On November 22nd, stockholders of Batong Buhay approved the terms of an agreement entered into by their board of directors with International Engineering Corp., a Soriano management company, whereby the latter undertakes the development of the claims in Kalinga, and the erection of a mill. The agreement requires an increase in the capital stock of Batong Buhay by 100,000,000 shares, (P0.01 par), giving shareholders the right to subscribe to 40,000,000 of the increase at par, and International Engineering or its nominees subscription rights to an equal number. The remaining 20,000,000 shares are optioned to the management company or its nominees until December, 1939. The

agreement further provides for the payment to the Soriano company of a monthly management fee of P1,000 until the mill starts operation, and P2,500 monthly after that. In addition, International Engineering will receive 5% of the operating profits.

The Securities and Exchange Commission having approved this increase in capital stock, transfer books of the Batong Buhay Mining Company were closed from the close of business on Saturday, December 10th, through Monday, December 12th, and stockholders at the close of business December 10th were entitled to subscribe for 4000 new shares at one centavo for each 10,000 shares held. They have until January 14th to pay 1% on the subscriptions to the new stock, the balance being payable within six

months. Shares sold "ex-rights" beginning December 9th.

Paracale Gold—International Engineering: "It is understood" that International Engineering Corp. is now furnishing a full-time engineer to supervise development work on the claims of the Paracale Gold Mining Company, Inc., and that an understanding exists that if, in the opinion of the Soriano company, the property warrants a large amount of development work, International Engineering will undertake the job, and will have the first opportunity of financing.

Production: During the month of November, the three Soriano gold producers, Antamok, I X L and Masbate Consolidated, turned out a total of P983,457.81 from 101,912 tons of ore. These figures are below the production figures for October.

REDUCING THE RISK

The word corporate *security* is a misnomer. It should be corporate *risk*.

Every investment is a risk which is constantly exposed not only to the effects of social, economic and monetary changes, few of which can be foreseen, but also to inter-company operations and activities. No investor can ever protect himself against all risks inherent to the ownership of securities.

But it is possible, even in these uncertain times, to minimize the risk by following a flexible investment plan adopted to your individual objectives.

Reducing the risks can be accomplished by basing each original investment decision on complete, accurate and up to the minute information.

This principle must not be confined only to original purchases but should be used periodically in making "realistic reappraisals" of your portfolio.

Merely to keep abreast of events and individual company operations, to separate rumors from facts and to arrive at intrinsic values in the present markets is more than a full-time job. To separate those securities which have discounted future possibilities from those which have the greatest opportunity for sound appreciation is beyond the capacity of the individual investor.

To minimize successfully one's investment risks means monthly, daily and even hourly *reappraisal* of investment values. This is a job that Hess & Zeitlin, Inc. is equipped for and that it is now doing for many individual and corporate investors.

How can we be of service to you? It is impossible to tell unless we have the opportunity of examining your holdings and studying them in the light of your individual requirements.

We welcome the opportunity to be of service to you—your inquiry will be held in strict confidence and will involve no obligation.

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CRYSTAL ARCADE, MANILA

Soriano Returns: Andres Soriano, head of the Soriano business interests, returned this month from a combined business and pleasure trip to the United States and Europe. It is understood that he continued negotiations initiated sometime ago, for the listing of I X L stock on the board of the San Francisco Stock Exchange. It is planned to follow this listing with that of the Antamok Masbate Consolidated shares.

MARSMAN:

Dividends: Marsman Investments, Ltd., top holding company of the Marsman organization, declared an interim dividend of 7-1/2 percent last month. The dividend, paid on December 15th, amounted to P37,500, or approximately P375,000 for the 1,000,000 shares outstanding.

Meanwhile, Marsman and Company, Inc.,

which acts as an operating, financing and holding company, declared its regular P5 per share dividend, which was paid on December 1st.

San Mauricio, which had not paid a dividend since soon after the mine commenced production, declared a 50% (based on par value) dividend. On the same day—November 28th—the boards of directors of Coco Grove and United Paracale met and declared dividend payments, of two centavos each per share.

The Coco Grove dividend, which was paid on December 16th, is the first yet declared. The United Paracale money was distributed on December 13th, and brought total dividends for 1938 to 5 centavos per share.

Aggregate money distributed by these three producing mines is slightly more than P1,000,000, with Suyoc Consolidated unheard from as we went to press. It was expected that Suyoc would declare at least 1/2 centavo per share, and possibly as much as one centavo.

HAUSSERMANN:

Consolidated Mines: Hess and Zeitlin's market letter of December 10th contained the following paragraph:

"Reflecting confidence in the future of the Masinloc chromite operation, Judge John W. Haussermann, this morning by telephone from Washington, D. C., approved a modification of the Benguet Consolidated Mines contract, enabling Consolidated Mines to participate immediately to the extent of 10% in the earnings from the operation of the property, 50% participation to follow as soon as Benguet has been fully reimbursed for its expenditures. A. F. Duggleby, of the Benguet Consolidated Mining Co., announced further this morning that cables just received from General Refractories Corp., opening negotiations for the immediate

resumption of orders of Masinloc ore indicated improved industrial conditions in the United States, particularly in the steel industry, curtailment of which during the depression forced a suspension of Masinloc shipments. These inquiries mentioned an immediate shipment of 2,000 tons, and purchase of 10,000 to 15,000 tons during the coming year. Hereafter, there has been no European outlet for Philippine chromite because of prohibitive freight rates to European ports. Such rates, however, have just been reduced to the point where Philippine chromite can successfully compete with other ores, and, resulting from the lively interest evinced by European customers in Masinloc ore, negotiations are now under way to supply the full chromite requirements of such consumers in the manufacture of refractories."

Dividends: Benguet Consolidated this month declared two fourth-quarter dividends. Besides the regular dividend of P0.30 per share, Benguet paid an extra Christmas present of P0.20. The dividend was paid on December 20th, to stockholders of record as of the 9th. The action brought 1938 dividends to P1.40, compared with P1 last year.

Balatoe paid P0.20 per share this month, bringing its total dividends to P1.10 per share, compared with an even P1 last year. Ipo Gold Mines declared a fourth quarter dividend of P0.005 per share, bringing the 1938 total to P0.016. Last year Ipo paid a total of P0.015 per share, and also declared a 3% stock dividend.

NIELSON:

Lepanto: This copper producer turned out P132,920 from 12,770 tons, an average copper-gold recovery of P10.41 per ton, and a new all-time record for the mine. Total production for the first eleven months of 1938 amounts to P329,376. During Novem-



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ber, the mill produced 1,318 tons of concentrates. Mill heads averaged 2.95 percent copper, P1.61 gold, and 0.67 ounces of silver per ton. Copper extraction averaged 87.11 percent, while gold and silver averaged 83.4 and 79.6 percent, respectively. The average grade of concentrate assayed 24.9 percent copper, 0.186 ounces of gold, and 5.167 ounces of silver.

It was stated that the increase in production was due to uncovering higher-grade ore, plus increased milling efficiency.

Lepanto had pretty rough going until this year. At one time, at least, it was thought that it would be necessary to abandon the property, since it was known that the gold on the claims was low-grade, and the copper was no better. Benguet Consolidated abandoned all effort to develop the property, Mr. A. F. Dugleby having a poor opinion of any copper property. However, after the Nielson contract was made, new discoveries of higher-grade ore, and the signing of a contract with Japanese buyers for the copper out-put apparently solved Lepanto's troubles.

Hixbar: This latest Nielson acquisition produced P98,060 from 2,810 tons of copper ore mined during the months of September, October and November, it was announced. Work has been progressing on the property for the past three months, but no publicity was released until a contract was signed for the sale of the ore.

It was stated by officials of Nielson and Company that a road is being built on the property, which will make it possible to mine and transport approximately 3000 tons a month "at a conservative estimate". Ore at Hixbar is said to average around 10% copper, and is shipped direct to the smelter without milling or other treatment.

Paracale Gumanas: Treated 3,029 tons of ore during November, for a gross operating revenue of P54,047.22 in gold bullion and concentrates. Although average recovery was somewhat above that of October, total production fell off some P3000, due, it was said, to the fact that a larger amount of hard rock was sent to the mill, and the grinding capacity thereby reduced.

Hongkong Mines, Ltd.: Has produced P470,495.98 worth of lead and silver concentrates, for the first eleven months of this year. Production for November was about P4000 less than that for the previous month, due to lower mill heads, but it was anticipated that December should register an increase, since the mill capacity is being raised to 175 tons daily from 125 tons.

Selinsing: The second Nielson and Company property outside of the Philippines, Selinsing will go into production in January of next year, it was announced recently. Construction work began in July, and has progressed steadily, under very difficult conditions of transportation and labor. Supplies, for example, have to be brought in over twelve miles of river, in which there are a number of rapids, making it impossible to haul more than three tons in the shallow-draft boats which must be used. All large pieces of equipment

must be sectionalized. Trucks carry equipment and supplies four miles from the unloading station to the mine. The ore, however, is said to be very nearly free milling, and the mill will, therefore, be quite simple. The milling process will consist of a grinding unit, jigs, and flotation cells. The mill building was completed last month.

Tinago Consolidated: No details were available as to progress of operations on this property as we went to press.

This Girl . . .

(Continued from page 12)

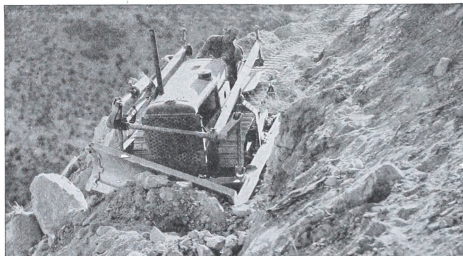
absence.

Ruth was a Moabitess, no Jewess, but a girl from out of town, who had been

around. Ruth had no hay in her ears.

Naomi was prudent, the hardest circumstances upset her only momentarily. Ruth liked this competence, and tended to rely on it. And Naomi chose as the season for arriving back in Bethlehem-Judah, the harvest season when the men would be cutting the barley. Her relatives would be among these men, especially Boaz. It was a long trek, around the sea, and Naomi no doubt told Ruth a good deal about her cousin gorman Boaz as they whiled away the miles together and rested at the villages. The two women would have little enough on which to live when they reached journey's-end, but Ruth might glean with the harvesters and perhaps some luck would turn up.

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