

COPRA AND ITS PRODUCTS

By KENNETH B. DAY
AND LEO SCHNURMACHER



KENNETH B. DAY

February showed a continuance of the uncertainty in the copra and oil markets which has been the feature for the past six months. Once more the market fluctuated wildly and once more speculative buying and selling controlled the situation to a large degree. European buyers, instead of following American prices, as they did a year ago, are sitting the pace themselves this year, which makes local buying for export as oil or copra to the United States an up-hill job temporarily at least.

Copra. The copra market for February was very largely controlled by European export prices. These prices were consistently above what the mills could afford to pay for oil sales to the United States and what the copra ex-

porters could afford to pay for shipments of copra to the United States. Sometimes this differential was as high as P1.00 per hundred kilos, but at no time was it less than 25 centavos per hundred kilos. On this basis a great deal of copra was sold for export to Europe at prices ranging from £14.10 0 down to £13.5 0 for sundried with smoke dried 10 to 15 shillings lower, and very little copra was sold for export to the United States where prices ranged from 2.75 cents to 2.50 cents per pound. Mills bought as freely as they could and paid maximum prices, many times buying at a loss. Even so, their purchases were not very heavy and led them with rather slender stocks to face the lean months of copra production immediately before them.

Copra prices in Manila started the month at P9.75 with the market weak. The price gradually declined to P9.00 with the buyers indicating a further decline to P8.50. Sellers, being well supplied with contracts and noticing the strong export markets, refused to sell at these lower figures and the market firmed up again to as high as P9.50 by about the 20th of the month.



LEO SCHNURMACHER

Thereafter another decline set in as the European market weakened and at the end of the month buyers were down again to P8.75 with large sellers not interested, but with a weaker tendency in evidence.

It is reported that the European demand for copra is caused by the ability of Europe to buy copra at a cheap price without any excise tax and supply the United States with other oils and fats which, due to the excise tax, are well protected, and consequently command higher prices. There is good profit in this for the European traders.

Arrivals for the month were very good, being the best on record for several years for February both in Manila and Cebu. Shipments also were heavy, particularly to Europe, both buyers and sellers evidently desiring prompt shipment.

Statistics for the month follow:

Arrivals—	<i>Sacks</i>
Manila	348,087
Cebu	336,523
Shipments—	<i>Tons</i>
Pacific Coast	11,571

Atlantic Coast	3,302
Gulf ports	1,270
Europe	17,037
Egypt	297

33,477

Stocks on hand in Manila—	<i>Tons</i>
Beginning of the month	35,017
End of month	31,135
Stocks on hand in Cebu—	
Beginning of the month	25,192
End of month	15,255

COCONUT OIL: The coconut oil market in the United States was very dull in February. Edible buyers were inactive and soap buyers could not see their way clear to pay above 4-1/4 cents c.i.f. New York, which was fully 1/4 cent below sellers' ideas. About the 10th of the month a small edible demand came into the market on both Coasts and it was possible at one time to sell oil in San Francisco at 4-1/4 cents and in New York at 4-3 8 cents with a small amount of business done at 4-1/2 cents. This involved a rather slender amount of trade, and by the end of the month prices were easier all around with large industrial buyers still willing to pay 4-1 4 cents c.i.f. New York, but with sellers holding out for 4-3 8 cents in New York and 4-1 8 cents in San Francisco.

The local market for drum oil fluctuated from 17-1 2 cents to 19-1 2 cents per kilo in line with copra values.

Statistics for the month follow:

Shipments—	<i>Tons</i>
Pacific Coast	2,876
Atlantic Coast	6,689
Gulf Ports	1,002
China	9

10,576

Stocks on Hand in Manila and Cebu—	<i>Tons</i>
Beginning of the month	21,503
End of month	25,292

COPRA CASE AND LOCAL: The absence of consumer demand at the beginning of the month, and accumulating stocks at this end, induced crushers to dispose of large parcels of their holdings at the low offers available from speculators in Europe, and transactions were recorded for shipment as far ahead as June. During the first half of the month, practically only April/May June shipments were in demand, while crushers were anxious to sell March shipment due to the fact that they were overstocked. Later in the month, owing to the low prices reached, it was again possible to stir up some consumer demand, and a fair volume of March and March April contracts was negotiated. Toward the end of the month, crushers had disposed of excess stocks and were no longer interested in low offers; the market closed with a firmer undertone and prospects of a steady market during March. Hamburg prices dropped to as low as \$21.50 per ton c.i.f. equivalent to about P23.00 f.o.b. The Pacific meal market was more active during February, but at declining prices. Sales were made at prices ranging from \$18.00 to \$16.25 per short ton c.i.f. for prompt and summer positions.

The following statistics cover these products:	<i>Tons</i>
Shipments—	
Pacific Coast	4,616
Europe	4,471

9,087

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REAL ESTATE

By P. D. CARMAN
Addison Hills



The following are the totals for the first two months of each of the last five years:

1932	P1,251,452
1933	1,692,048
1934	2,531,342
1935	2,276,947
1936	2,352,312

Sales City of Manila

	1935		1936	
	January	February	January	February
Sta. Cruz	P 285,463	P 239,288		
Sanpablo	645,371	63,261		
Tondo	82,268	81,084		
Binondo	18,000	189,402		
San Nicolas	14,188	48,700		
Ermita	103,050	21,000		
Malate	94,814	67,869		
Paco	39,140	19,048		
Sta. Ana	33,814	88,035		
Quiapo	19,238	128,619		
San Miguel	—	—		
Intramuros	—	32,100		
Pandacan	—	1,130		
Sta. Mesa	1,900	34,700		
San Felipe Neri	630	—		
	P1,338,076	P1,014,236		

Copra

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Stocks on hand in Manila and Cebu—	Tons
Beginning of Month	9,439
End of Month	8,881

DESEICATED COCONUTS: The desiccated market was featureless during the month. Prices in New York continued pegged at 7-3 4 cents while shipments were slightly smaller than in January. Factories found cocoanuts rather scarce and high priced. The entrance of new small mills into the business which commenced last year continued but small dealers so far have not shown any disposition to under-cut prices to find a market for their products. Shipments for the month total 2155 tons.

GENERAL: As usual future prospects for coconut products are most uncertain. Many things can happen which will either improve or harm our prospects. Buyers are adopting a hard on a month policy with regards to coconut oil, while buying far more freely other fats and oils not so subject to adverse legislation. There is considerable sentiment in Washington toward modifying the excise tax, but it is extremely unlikely that anything constructive will be done, particularly unless the Philippine Government takes a definite stand favoring constructive legislation along these lines.

Prospects for the coming few months indicate an fluctuating market with a long range probability that the second half year with large offerings of copra available may prove disappointing to producers in comparison with 1935, although substantially better than two years ago. All this, however, is largely a matter of speculation.

Hargis and Godbe

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with an assay value of 0.44 oz. at 101 feet from the portal and at 210 feet encountered the main vein. The vein at this point is 4 feet in width with an average assay of 2.02 oz. or \$70 per ton. Drifting S. E. at this point shows the vein to have a bearing of N. 32 degree W with a more northerly bearing than the general bearing of N. 60 degree W. A connection with the west drift of tunnel 1 is about to be made which will insure good ventilation and facilitate the work in this section.

"Tunnel 2 at the extreme northwest end of the ridge has proven that Tunnel 2 has not been driven far enough north to have encountered the main vein, and a distance of not more than 50 feet should encounter the main vein. At the present time, the drift being driven east is in a well defined vein and the assay values are now running between P7 and \$8. As this vein approaches the main vein the values have shown a steady increase. This work is starting immediately and within 30 days should prove the location of the vein at this point.

"The main Tunnel at the 200 level is now in a distance of 366 feet."

Hoover and Coconut Oil

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reminded Chester Davis, quondam administrator of AAA, that the act existed, Roosevelt revamped his farm policy without delay. What the supreme court deprived him of in invalidating the AAA, he seems to have in this act in much more substantial form; and True says the act is brief, covering but a single page. This being spring, and an election year in America, the act will be heard from this summer. It will probably influence the planting of hundreds of thousands of acres; more particularly in the south, where superabundant cotton together with new cotton-picking machines disemploy colored labor that it would hardly be well to have float northward, will intensive diversification be an aim of administration.

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