

and some of his followers having pled guilty of the charges of rebellion and murder filed against them by the Government and being sentenced to life imprisonment, will be granted a conditional pardon on recommendation of General Duque.

The President, having returned to Manila, confers with Liberal Party leaders who urge him to reject the recent proposal of Senator Jose Laurel that the two of them withdraw as candidates for the presidency in the 1953 elections in favor of Secretary of National Defense Ramon Magaysay; the leaders urge him to run for re-election and also reiterate their endorsement of his exercise of his emergency powers in releasing much-needed public works and relief funds. As to the Laurel proposal, the President states that he "will consider it for what it is worth."

Nov. 25 — The President at a Cabinet meeting signs an administrative order creating the Informational Media Guaranty Program Committee, which is to examine and approve or disapprove all applications for contracts to supply the Philippines with "media materials" under the Informational Media Guaranty program made available to the Philippines under Section 111 (b) (3) of the U. S. Economic Cooperation Act of 1948, such as books, periodicals, newspapers, motion pictures, etc. The committee will be composed of 5 persons representing the Department of Education, the University of the Philippines, the Central Bank, the Import Control Commission, and the Department of Foreign Affairs.

At the Cabinet meeting, the President inquires as to the recent statement of Dr. Roland R. Renne, implying that "politics was delaying MSA releases." Acting Secretary of Agriculture Jose Camus states that in so far as the distribution of irrigation pumps is concerned, mentioned as an instance by Dr. Renne, no politics were involved but that he had had to order surveys of their suitability in various regions.

Austrian officials, Dr. Carl Behleter and E. C. Tomitch, make courtesy calls on Secretary Elizalde and other Foreign Department officials; they are the first members of an Austrian trade promotion delegation on the way to the Philippines.

Nov. 26 — The President orders the reactivation of the Barangay Associations with former Under-Secretary of the Interior Nicanor Roxas heading the campaign; the associations were authorized under Executive Order No. 347.

Nov. 27 — Malacañan announces that the President is readying the release of another ₱2,953,000 public works fund chiefly for the rebuilding of schoolhouses destroyed by recent typhoons; the sum would bring the total released for public works to ₱5,345,780. Announced, too, that the President will not issue another executive order for the release of further funds as he will leave it to Congress to appropriate the additional funds needed during the coming regular session; releases will be confined to the amounts specified in his two executive orders,—around ₱37,000,000 for public works and ₱11,000,000 for relief. Recently, Sen. Claro M. Recto, on behalf of Senate President Eulogio Rodriguez and Sen. Lorenzo Tañada, filed with the Supreme Court a petition for a writ of prohibition against the President's use of emergency powers to release funds not duly appropriated by Congress.

Nov. 29 — The President grants executive clemency with parole conditions to Kamlon and 23 his followers recently sentenced to life imprisonment for rebellion with multiple murder, the conditions being that they must report to the nearest Constabulary or Philippine Naval authorities every month, comply with any summons that may be issued for their appearance, accept periodical visits of such authorities at reasonable times, commit no crimes and conduct themselves in an orderly manner, and assist the Government in the surrender of firearms illegally held; should any of these conditions be violated, the sentences imposed would again go into full effect.

Nov. 30 — The Cabinet approves certain projects to be undertaken under the United Nations Expanded Technical Assistance Program to cost a total of ₱255,564.21, part of the ₱500,000 included in the appropriations for the Department of Foreign Affairs for the fiscal year 1953 as a counterpart fund to be used in commitments to be undertaken under the Program. Among the projects are the Bayambang educational center and vocational training institute, a pilot center for the control of schistosomiasis in eastern Leyte, and a statistical training center.

Banking and Finance

By W. M. SIMMONS
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The National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31 1949	As of Aug. 29 1952	As of Sept. 30 1952	As of October 31 1952
(In thousands of Pesos)				
ASSETS				
International Reserve.....	₱460,689	₱472,836	₱476,146	₱472,919
Contribution to International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,306	107,570	107,570	107,570
Loans and Advances.....	77,047	45,055	48,055	48,195
Domestic Securities.....	92,197	233,824	231,650	231,882
Trust Account—Securities Stabilization Fund.....	—	—	—	—
Other Assets.....	20,390	44,200	49,566	42,783
	<u>₱793,629</u>	<u>₱933,485</u>	<u>₱942,987</u>	<u>₱933,349</u>
LIABILITIES				
Currency — Notes.....	₱555,576	₱516,495	₱527,147	₱530,688
Coins.....	74,381	91,406	91,073	90,689
Demand Deposits — Pesos.....	117,682	277,126	274,797	266,977
Securities — Stabilization Fund.....	2,000	12,233	12,233	12,233
Due to International Monetary Fund.....	22,498	496	496	496
Due to International Bank for Reconstruction and Development.....	2,389	2,383	2,383	2,383
Other Liabilities.....	2,636	7,345	8,331	2,365
Deferred Credits.....	—	1,852	2,448	3,055
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	6,464	7,017	6,947	7,331
Surplus.....	—	7,132	7,132	7,132
	<u>₱793,629</u>	<u>₱933,485</u>	<u>₱942,987</u>	<u>₱933,349</u>

THE Central Bank's international reserve as of October 31, 1952, dropped by ₱3,227,000, thus reversing the upward movement of the previous two months. This is accounted for by the decline in deposits in U. S. Depositories of ₱5,617,000 which failed to offset the in-

crease as a result of the Central Bank's purchase of about ₱2,000,000 worth of U. S. Government Securities during the month under review and additional gold holdings of ₱336,000. Including net foreign exchange holdings of other banks, the country's international reserve was reported to have amounted to \$299,372,000 at the end of the month, compared to \$298,589,000 on September 30, 1952.

Loans and advances continued their upward trend since June 30, 1952, but the increase registered in October was negligible. Currency issued increased from ₱618,220,000 in September to ₱621,377,000 in October, but there was a decrease in demand deposits from ₱274,797,000 to ₱266,977,000 during the same period.

The cash position of banks continues easier and quotations for time money have been correspondingly reduced. In some quarters the best rate is now 1-1/2% for 3 to 6 months without much interest in new money at this rate. Loan rates are unchanged at 5% to 6%.

STATISTICS released by the Central Bank show that foreign exchange transactions of the Philippines during the first 9 months of this year resulted in a net gain of \$6,200,000 caused primarily by heavy receipts from invisible exports. United States government expenditures alone totaled \$100,700,000. Receipts aggregated \$410,300,000 (including \$259,900,000 of visible exports and \$150,400,000 of invisible), against disbursements of \$404,100,000 (for \$335,900,000 of visible imports and \$68,200,000 of invisible). Compared with the corresponding period in 1951, total receipts showed an increase of 1.7%, while disbursements were down by 2.6%.

It is reported that since the Rural Bank Law was approved on June 6, 1952, the Central Bank has received forty applications to open Rural banks. To date certificates of authority to establish such banks have been granted for the following localities: Pasig, Rizal; Novaliches, Rizal; Malolos, Bulacan; Urdaneta, Pangasinan; and Bacolod, Negros Occidental. The majority of applications have been received from Luzon provinces, but several have come from Visayan and Mindanao areas.

(Note: The information contained herein has been derived from responsible sources but the National City Bank assumes no responsibility for its accuracy.)