

# American Stock and Commodity Markets

BY ROY EWING  
Swan, Culbertson & Fritz

December 28, 1948, to January 27, 1949

**T**HE New York market has been dull and uninteresting for the past month. Moderate strength continued to be evident but prices moved in a narrow range and volume averaged well below a million shares per day. As measured by the Industrial Average, the market is 179.52 today against 175.98 a month ago. The high for the period was 181.54 on January 22, and the low 175.98 on December 28 of last year.

The sluggish market is probably explained by many traders being on the sidelines pending economic and political developments. On the one hand are most pleasing 1948 earnings reports and a record all-time national production of \$253,000,000,000. On the other are an increasing number of soft spots in industry; textile, clothing, and shoe businesses have cut prices in an attempt to keep up sales, all scrap prices are on the decline, and even automobiles are coming into supply. As a result of expected government actions, such as increased taxes, there is a widening acceptance of the fact that total corporate earnings are likely to decline from 20% to 25% this year. That the market is firm indicates, in the opinion of some, that a business recession of this proportion has already been discounted.

According to the Dow Theory, the current strength represents a secondary reaction in a bear market which began last June. The theory holds that a primary trend once established remains in force until reversed by an authoritative counter-signal. At present writing, therefore, chartists' opinion is that lower prices are to be expected.

**C**OMMODITIES also moved in narrow range, grains in general declining moderately, reflecting the fact that the United States 1948 harvest was 11% bigger than the previous record. May Chicago wheat is 220-1/8, down from 228-3/4 a month ago on winter crop estimates of 965,000,000 bushels, a near record. May Chicago corn recorded a low of 141-7/8 on January 26 but recovered to 143, down from 149-1/8 on December 28. Visible supply on January 15 was about 45,000,000 bushels versus 11,500,000 a year ago. New York spot cotton is 33.74 against 32.98 last month, on the heaviest export demand in several months from both Europe and the Orient.

The March Contract No. 5 sugar in New York is 5.26 bid, practically unchanged from a month ago. The market is reported as fundamentally steady.

## Manila Stock Market

BY A. C. HALL  
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December 16, 1948, to January 15, 1949

### Mining Shares

**I**N this column a month ago we stated that indications were that the market was in the process of reversing the major trend. Since then the market has gone up 15.16 points as measured by the Manila Stock Exchange Mining Share Average, thereby con-

firmer, in this writer's opinion, that the bear trend which was in force since early January of 1948 ended on December 1 of last year.

As usual when bullish sentiment prevails, factors which were considered bearish several months ago, such as Import Control, the Central Bank, and foreign political developments, did not affect the market.

The best performers were Mindanao Mother Lode, Surigao Consolidated, and Atok-Big Wedge, reflecting better news from the properties and the general strength of gold shares in other markets, including New York. Acoje, Consolidated Mines, and Lepanto Consolidated registered substantial gains on reports of satisfactory shipments and earnings.

Interest was almost entirely in the producing issues and what few sales were made in non-producing listed shares were at prices practically unchanged from a month ago.

Volume of business done picked up considerably, — additional confirmation that the major trend is bullish. At present writing, the rapidity of the rise suggests that a consolidation, — or correction-period is to be expected. Theoretically this would be a healthy development and provide a firmer base for further strength.

| 1949 Range |       |                             | High  | Low   | Close  | Change    | Total Sales     |
|------------|-------|-----------------------------|-------|-------|--------|-----------|-----------------|
| High       | Low   |                             |       |       |        |           |                 |
| 86.90      | 75.32 | M. S. E. Average            | 86.90 | 71.41 | 86.90  | Up        | 15.16           |
| P .37      | P .31 | Acoje Mining Company        | P .37 | P .29 | P .365 | Up        | .065 329,000    |
|            |       | Antamok Goldfields          |       |       | .013a  |           |                 |
| .17        | .10   | Atok-Big Wedge Mining Co.   | .17   | .16   | .17    | Up        | .11 420,750     |
|            |       | Baguio Gold Mining Co.      | .035  | .035  | .035   | Unchanged | 41,500          |
| .0028      | .0028 | Barong Buhay Gold Mines     | .0028 | .0025 | .0028  | Off       | .0002 1,070,000 |
|            |       | Coco Grove, Inc.            | .025  | .025  | .025   | Unchanged | 30,000          |
| .014       | .012  | Consolidated Mines, Inc.    | .014  | .011  | .014   | Up        | .003 11,130,000 |
|            |       | Itegon Mining Company       | .038  | .038  | .038   | Unchanged | 161,000         |
| .76        | .72   | Lepanto Consolidated Mining | .76   | .69   | .76    | Up        | .05 598,000     |
|            |       | Masbate Consolidated Mining | .015  | .015  | .015   | Unchanged | 40,000          |
| .14        | .12   | Mindanao Mother Lode Mines  | .14   | .10   | .14    | Up        | .14 516,000     |
| .17        | .15   | Misamis Chromite, Inc.      | .17   | .15   | .15    | Off       | .05 65,000      |
| .02        | .02   | Suyoc Consolidated Mining   | .02   | .015  | .02    | Off       | .002 102,500    |
| .14        | .14   | San Mauricio Mining Co.     | .14   | .14   | .14    | Up        | .005 77,000     |
| .28        | .26   | Surigao Consolidated Mining | .28   | .22   | .27    | Up        | .05 233,000     |
|            |       | United Paracale Mining Co.  | .04   | .04   | .04    | Unchanged | 20,000          |

During the month there were sales on the over-the-counter mining market of Benguet Consolidated at from P2.50 to P3.00; Philippine Iron Mines at P31; and Taysan Gold Mining "A" shares at P0.20 and P0.18.

### Commercial and Industrial

**T**HERE was moderate activity in the commercial and industrial section and some good gains recorded, notably Central Azucarera de Tarlac, reflecting improved conditions in Central Luzon. Saniguels sold between P57 and P61; this company paid a dividend of P1.50 on January 15 to stockholders of record January 10.

| 1949 Range |        |                                  | High   | Low    | Close   | Change | Total Sales  |
|------------|--------|----------------------------------|--------|--------|---------|--------|--------------|
| High       | Low    |                                  |        |        |         |        |              |
| P64.00     | P59.00 | Bank of the Philippine Is.       | P64.00 | P58.00 | P64.00  | Up     | P11.00 622   |
| 550.00     | 550.00 | Central Azucarera de Bais        | 600.00 | 550.00 | 550.00  | Off    | P50.00 4     |
| 156.00     | 155.00 | Central Azucarera de la Car-lota | 156.00 | 150.00 | 156.00  | Up     | P 6.00 79    |
| 107.00     | 105.00 | Central Azucarera del Pilar      | 107.00 | 105.00 | 107.00  | Up     | P17.00 20    |
|            |        | Central Azucarera de Sara-Ajuy   |        |        | 45.00b  |        |              |
| 60.00      | 59.00  | Central Azucarera de Tarlac      | 60.00  | 48.00  | 60.00   | Up     | P20.00 183   |
|            |        | China Banking Corporation        |        |        | 180.00b |        |              |
|            |        | Filipinas Cia. de Seguros        |        |        | 22.00b  |        |              |
|            |        | Manila Wine Merchants, Inc.      |        |        | 4.50a   |        |              |
|            |        | Metropolitan Insurance Co.       |        |        | 140.00b |        |              |
| .80        | .80    | Pampanga Bus Company             | .80    | .80    | .80     | Off    | .10 1,000    |
| .155       | .15    | Philippine Oil Development Co.   | .175   | .155   | .155    | Off    | .025 110,000 |
| 1.28       | 1.26   | Philippine Racing Club           | 1.28   | 1.26   | 1.28    | Off    | .02 14,000   |
| 61.00      | 59.00  | San Miguel Brewery               | 61.00  | 57.00  | 60.00   | Up     | P2.00 1,714  |
|            |        | Williams Equipment Co. Pfd.      |        |        | 75.00b  |        |              |
|            |        | Williams Equipment Co. Com. (s)  | 7.00   | 7.00   | 7.00    | Off    | P1.50 120    |

(s) ex-dividend.

Over-the-counter commercial transactions included 75 Victorias Milling at P145; a small block of Jai Alai at P10; 1,400 Philippine Air Lines at P7; and 275 Philippine American Drug Co. at P135.