

Feb. 23—The President has instructed Ambassador J. M. Elizalde to "explore the possibility of reverting the excise tax on coconut oil, estimated at around P120,000,000, to the Philippine Government.

The President has also approved Secretary Balaceda's recommendation that the issuance of export permits for copra be continued although the International Emergency Food Council has discontinued the allocation of fats and oils because there is now a sufficient supply to meet essential demands.

The President directs that all security guards of the Surplus Property Commission be placed under military control and supervision. It is reported that sales amount to some P27,000 a day as against expenses of P20,000, and the President has urged the Commission to hasten the liquidation of the various depots in order to complete this before the June 30 time-limit set by the United States Government.

Feb. 24—The President, in ceremonies at Malacañan and on recommendation of the Women's International League headed by Mrs. Beatriz P. Ronquillo, in connection with its 10th anniversary, bestows gold medals and certificates of merit upon 5 foreign nationals who have distinguished themselves in service to the people of the Philippines. Mrs. T. H. Lockett delivers to them also impromptu rewards of P1000 each from private donors. The five are Mary E. Polley, of the Bureau of Education; H. Otley Beyer, of the University of the Philippines; Irving Hart, social worker; Mother Damien, Sister of Mercy, at the Culion Leprosy Colony; and Father Leon Quintelier, pioneer missionary in the Mountain Province.

Feb. 26—The President signs the Sotto Bill providing for the inclusion of the teaching of Spanish in Philippine high schools.

Secretary of Finance Pedrosa has issued a memorandum prohibiting finance officials and employees from gambling and going to gambling places, including horse races, jai-alai, and cockpits.

Feb. 27—The President addressing a delegation from the Catholic Women's League, urges the women of the Philippines to use their influence in helping their menfolk in the Government to raise the standard of morality in the conduct of public affairs.

Feb. 28—The National Economic Council discusses in general terms the proposed P200,000,000 development program of government corporations and tentatively considers at list of priorities. It also considers a PRATRA request that it be exempted from paying taxes.

The Department of Foreign Affairs announces that the U. S. Economic Cooperation Administration has authorized France to procure \$605,000 worth of abaca and \$100,000 worth of sisal or hequen maguey from Manila, to be delivered during the 2nd quarter of 1949.

The President, to promote freedom of speech, instructs Mayor Manuel de la Fuente of Manila to reserve the part of the Sunken Garden northwest of the City Hall as "Freedom Park" for all public meetings and demonstrations.

Banking and Finance

BY F. C. BAILEY
National City Bank of New York

THE usual financial summary of the reports of Manila banks compiled from reports of the Bureau of Banking is not available for this issue.

The Central Bank issued its first statement as of

January 31, 1949. Monetary circulation totalled P694,556,476, made up of all notes and coins outside the Central Bank and including P21,500,000 estimated to have been lost or destroyed as a result of the war. The latter figure was not included in the circulation statements regularly issued by the National Treasurer prior to the establishment of the Central Bank. The last statement so issued showed circulation on December 31, 1948, at P813,501,310. The net decrease results from a change in the compilation of the figures and is accounted for principally by the delivery to the Central Bank of the legal reserves, amounting to P169,351,029, of the various commercial banks. Against the January 31st circulation the Central Bank reported a total of P714,969,280 in international reserves, of which P712,200,164 was held in U.S. dollars and the balance in gold and other foreign currencies.

The Central Bank continues to supply dollar exchange at the following rates:

Selling T.T.	P201.00
Selling O/D	200.95

The Central Bank has authorized the following rates within which commercial banks may quote to their clients:

	<u>Selling</u>	<u>Buying</u>
U.S. Dollars T.T., over \$500.00 ...	P201.50	P200.50
U.S. Dollars Demand over \$500.00	201.375	200.375
U.S. Dollars T.T. and Demand under \$500.00	202.00	200.00

At this writing, banks are quoting generally, for prime business, T.T. P201.50 selling, and P200.75 buying.

American Stock and Commodity Markets

BY ROY EWING
Swan, Culbertson & Fritz

January 28, 1949 to February 28, 1949

SINCE our last review in this column, the New York stock market has been in a steady decline.

The high for the period, as measured by the Dow Jones Industrial Average, was 180.39 on February 1 and the low 171.10 on February 25. The sharp drop in commodities in early February (see below), rising unemployment, and other indications that a broad adjustment in the American economy is underway, were responsible for the bearish sentiment.

Some earnings figures such as the 1948 total of \$184,500,000 of U. S. Steel caused short-lived rallies but could not offset such items as declining carloadings, a fourth cut in fuel-oil prices, and General Motors' announcement of price cuts for automobiles. Majority opinion is that while the "recession" will spread further, it will be controlled and orderly and in the long run the economy will be sounder with lower prices and a check to inflation.

In the first week of February the Rail Average broke into new low ground since July of 1947 thereby providing half of a signal, according to the Dow Theory that an extension of the bear market which began in July of last year is to be expected. The second half was provided on February 25 when the In-