

Coast rates through discounts and commissions, while at the same time the European situation was controlled by charters extending into October. F.O.B. equivalents, therefore, were varying and hard to standardize.

Prospects for September were doubtful with everything pointing to similar conditions as August unless political conditions in Europe should reach a climax.

FOREIGN EXCHANGE

BY LEON ANCHIETA

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The dollar, in the local exchange market, was quiet and showed slightly easier tone during the greater part of the month. Up to the end of the third week, it appeared that the demand could be met by supply available from commercial sources, particularly from proceeds of gold shipments to America. Also a fairly substantial amount of bills covering copra exportation was offered in the market. Consequently, inter-bank sales covering T.T. on New York eased from 9/16 to 1/2% pr. and offer of sellers at the latter rate was not readily absorbed. However, customers' rate ruled the same as in the previous month, viz. 5/8% pr. At the closing week of the month, the dollar again steadied, buyers (banks) being eager to bid at 1/2% pr. with sellers holding for a higher rate, viz. 9/16% pr. Customers' rate remained unaltered at 5/8% pr., both for T.T. and D.D. on New York.

Buying rate for 60 day and sight bills ruled at par and 1/4% premium, respectively, as in the previous month.

Tending to confirm reported arrangement of a lower level in the relation of the pound sterling and U. S. dollar, the former suffered the widest fluctuation and reached its lowest level since the beginning of the year. Opening at 491-3/8, it steadily moved downward reaching 487-7/8 during the first part of the second week, at which time the British Stabilization Fund entered the market to support the weakening sterling. The intervention of the British Control Fund appeared to have renewed conjuncture as to the level at which the dollar-sterling relation would be maintained and the foreign exchange market became actively erratic although the general demand for U. S. dollar continued to be the chief feature.

During the second fortnight the foreign exchange situation became more involved on account of the growing tension arising from the confused situation in Central Europe and as the month approached its close, heavy continental buying of U. S. dollars was in evidence, causing a sharp drop in the pound-sterling to 485-3/4.

No deliberate effort to counteract the sharp appreciation of the dollar appeared in Washington and U. S. Treasury Officials are reported to have stated that the American Stabilization Fund would be utilized in "the usual cooperative capacity with foreign governments", indicating that under the prevailing circumstances, the fluctuations of the sterling would be allowed to

continue.

Concurrent with the attack on the pound sterling, heavy selling brought down the rate on the Franc from an opening of 276 to 272-7/8 at the beginning of the second week. Frequent intervention by the British and French Exchange Controls prevented further serious sharp fall in this exchange which closed at 272-1/2.

No important development took place in the yen which fluctuated concurrently with the sterling-dollar exchange. Opening at 28-11/16, it moved downward, reaching a low of 28-5/16 at the close.

The Hongkong dollar also slumped heavily in sympathy with the pound sterling. Opening at 30.78 it moved down at a wide range, reaching a low of 30.4325 at the close.

After opening at 17-1/2, Shanghai Exchange slumped to 16-1/8. However, it recovered as the month advanced, reaching a high of 17-11/32 and closing at 17-1/4.

REAL ESTATE

BY P. D. CARMAN
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Following July real estate transfers which exceeded any July on record except in 1935, August business was very good although a little below that of the same month of 1937. While considerably lower than in August 1936 it greatly exceeds the transfers recorded in

any other similar month since 1929.

Sta. Cruz	P 141,529	P 355,290
Sampaloc	1,633,840	246,943
Tondo	104,897	78,847
Binondo	538,011	103,500
San Nicolas	132,467	21,000
Ermita	12,538	111,000
Malate	268,835	141,993
Paco	85,807	41,300
Sta. Ana	27,284	42,516
Quiapo	39,690	11,511
San Miguel	236,987	203,607
Intramuros	61,656	1,150
Sta. Mesa	16,601	14,000
Pandacan	2,537	212

P3,302,679 P1,372,869

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FOREIGN EXCHANGE REVIEW COUNTER RATES

	U.S. Dollars		Sterling		Francs		Yen		Shanghai		Hongkong	
	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
August 1938	201.50	— 201.50	2/0-1/16	— 2/0-7/16	5.80	— 5.60	58.40	— 57.70	37.50	— 33.70	62.50	— 61.90
August 1937	200.00	— 199.75	1/11-15/16	— 2/0-1/16	7.65	— 7.60	58.70	— 58.40	60.55	— 59.25	62.80	— 61.90