Furthermore, as we write this article, the gold price is in the neighborhood of ₱101.00 per ounce for bullion. This compares with the average sale price during 1953 (for bullion) of approximately ₱103.40. If, therefore, the current price had actually prevailed during all of 1953, it would be safe to say that even the profitable gold mines would have operated on the borderline between profit and loss. If, in addition, it is considered that the cash wage paid to mine labor has risen only recently as a result of a campaign initiated by the Wage Administration Service to lower the value of facilities which mines normally grant to labor, a campaign which began, peculiarly enough, two months before the past national elections, the net result would have been losses for every operator in the industry.

Our mines would be helped if a way could be found to increase the productivity of labor, but despite acute and prolonged attention to this phase of operation, it is sad to state that actual tons produced per man-shift is distressingly lower than in pre-war days. A second means of improving results could be achieved in a modest way if the cost of supplies and equipment were to decline. This, however, is not happening, in reverse of repeated predictions made in the past year, or since the Korea shooting-war ended. A third source of possible aid is reducing wages; but this cannot be done without affecting efficiency and we consider this type of relief as neither possible nor desirable.

It is apparent, therefore, that unless our gold-yield can be increased, either through a subsidy or some other plan, such as a successful enactment of the so-called Gold Certificate Plan now in operation in several South American countries, our mines are doomed to early extinction. And since we have striven mightily but futilely to improve our operations, it is also apparent that we have no recourse but to directly appeal to our Government for the needed aid. Fortunately, all signs point to a sympathetic attitude on the part of the new Administration.

The next several weeks, nevertheless, will be crucial. In the interim, while the fate of the gold mining industry rests in the hands of the powers that be, we are exploring every possible source of relief and are hopeful that ultimately sufficient aid will be given to gold producers.

Sugar

By J. H. d'Authreau
Acting Secretary-Treasurer
Philippine Sugar Association

THIS review covers the period January 1 to January 31, 1954.

New York Market. The main features of the market throughout the month have been the firm tone of the spot and prompt positions, and the relative firmness of July and September, as against the easing off of both March and May under pressure of hedging in these positions. This is a direct reflection of the refined market where refiners have now built up adequate stocks to face any strike developments and where demand has eased off in the expectation of a possible reduction in the price of refined sugar. Refiners confine their activities for the most part to prompt Cubas at 6.02¢ to 6.05¢, taking in occasional small lots of operator-held Philippine February arrivals at around 6.00¢ and March arrivals at 5.95¢ to 5.98¢ c.i.f., duty paid. This attitude to Philippine sugars has proved discouraging to operators who show little inclination to operate in Philippines for April and May arrivals. The New York dock situation is still obscure, with no hint of a final settlement of the unions issue. Price of refined is unchanged at 8.65¢ except for two refineries quoting 8.60¢ f.o.b. refinery.

Reported sales of actuals totalled approximately 107,770 long tons, of which 21,000 tons were Philippines. Exchange operations for the period approximated 210,000 short tons. Deliveries of refined for the period December 28 to January 23 were 530,363 short tons, as compared with 746,721 for December and with 564,224 for January, 1953. On January 16 refiners stocks were 157,389 long tons, as against 198,724 last year.

Opening and closing quotations on the No. 6 Contract were as follows:

	March	*May*	*July*	*Sept.*	*Nov.*
January 4...	5.52¢	5.56¢	5.69¢	5.74¢	5.75¢
29...	5.47	5.51	5.66	5.71	5.72

Average spot price for January was 5.5355¢.

Local Market. (a) *Domestic Sugar.* Under the influence of continuing bids for domestic sugar for domestic-export switches in some districts, the price of domestic remained firm at ₱14.30, basis ex Negros warehouse. The market was further strengthened by Sugar Quota Office Sugar Order No. 3, dated January 6, 1954, permitting regular quota holders to withdraw their total weekly production for export, subject to the control of the Sugar Quota Office which may, whenever necessary to insure filling of the domestic quota, fix percentages for application against domestic allotments. 100% of weekly production of emergency sugar is to be applied against emergency domestic allotments. Bureau of Commerce quotations during the month were basis "ex warehouse Manila" as follows:

	97°	*98°*	*99°*
January 6.....	₱14.00/₱14.20	₱16.10/₱16.20	₱18.00/₱18.15
13.....	14.00/ 14.20	16.10/ 16.20	18.00/ 18.15
20.....	14.00/ 14.20	16.10/ 16.20	18.00/ 18.15
27.....	14.30/ 14.50	16.00/ 16.20	17.20/ 17.70

In Bacolod, at the close of the month, mill run domestic was quoted at ₱14.50 per picul.

(b) *Export Sugar.* With the decline in New York values, the price for export receded to ₱14.90 for spot delivery, bolstered to some extent by the New York futures exchange quotations. Volume business was done at ₱15.00 in the last week of the month against hedged sales at 6.00¢/6.01¢ for February/March shipment. The going freight rate for the month has remained unchanged at $9.50, with little likelihood of any increase for February or March.

Total export shipments for the month are estimated at 86,000 long tons, making a total of 184,783 against the 1953-54 crop, as compared with 160,000 up to the same date in 1953. Total Philippine arrivals in New York for January are recorded at 8,544 long tons.

World Market. Opening and closing quotations were as follows:

	Spot	*March*	*May*	*July*	*Sept.*	*Oct.*	*March, 1955*
Jan. 4	3.25¢	3.23¢	3.25¢	3.27¢	3.27¢	—	—
" 29	3.33	3.34	3.33	3.33	3.33	3.36¢	3.22¢

The further improvement in this contract has followed upon reports of Cuba's intention to limit the 1954 production to 4,750,000 Spanish long tons, comprising a reported allocation to the World Free Quota of 900,000. No official action has yet been taken by the Cabinet. On January 28, 24 mills were reported grinding.

1953-54 Milling. Twenty-two Centrals are now operating and latest reports received by the Philippine Sugar Association indicate that the total production of these 22 mills to January 17 is 460,990 short tons. The average of juice purities to date is 84.49.

Manila Hemp

By J. Deane Conrad
President, Conrad & Co., Inc.

DURING the month of January hemp prices in the United States market continued to decline. Machine-cleaned I fell off approximately 1-1/4¢ a lb., machine-cleaned J1, 1-3/8¢ per lb. and machine-cleaned G 1¢ per lb. We are pleased to report that advices from New York received here on January 30 indicated that there was a firmer tone in their market, with sellers of machine-cleaned I at 20-3/4¢ and machine-cleaned J1 at 20-3/8¢. Usually January is an active month in the New York market with prices generally steady and advancing slightly. However, such was not the case this year. Reports indicate that there are anywhere from 30,000 to 50,000 bales of Central American abaca stored in the United States unsold, and this naturally has a depressing effect on prices for Manila abaca. We understand the United States Government is now endeavoring to market Central American abaca in the European market and that small sales actually have been made.

In London, prices continued to decline for the month under review, for both Davao and non-Davao hemp. As a result of the inactivity in New York, exporters kept their European representatives well supplied with offers. With large supplies being offered, buyers in Europe naturally were in a strong position to force prices down, and exporters found it necessary to continually reduce their prices in order to do business.

In Japan, prices for medium grades of Davao and non-Davao fiber declined approximately $2 per bale. Early in January there were indications that the Philippine Government was not inclined to renew the Barter Trade Agreement with Japan unless it could come to some satisfactory