

## COPRA AND ITS PRODUCTS

By KENNETH B. DAY  
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The month of December was comparatively quiet as contrasted with the three preceding months. It was getting along to the end of the year, and while there was considerable trading there were no very violent price fluctuations.

**COPRA:** Arrivals for December were much better than expected. In Manila receipts were over 5% ahead of those for 1934 and in Cebu receipts were nearly 50% above December 1934. This was a very surprising situation in Cebu where it had been anticipated that December arrivals might be comparatively short. In Manila a very large portion of the arrivals were applied to outstanding contracts, which were pretty well cleaned up by the end of the year. In Cebu, however, there was a large volume of



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copra available for sale and the Cebu dealers did considerable business with Europe, with the Pacific Coast, and with the local mills.

The month opened with a declining market, due to lack of interest on the part of oil buyers in the United States and elsewhere. After taking in fair lots of copra at from ₱8.75 to ₱9.00 local buyers backed away from the market and as a result prices dropped to a low of from ₱8.25 to ₱8.50. Nearly everybody felt that this would be the low for December, and such proved to be the case, for beginning about the middle of the month prices stiffened up and by the end of the month there were buyers of large lots at as high as ₱9.25. Sellers were holding back all through the second half month with a feeling that outside markets, particularly Europe, must improve, and also discounting the fact that arrivals in January were supposed to be comparatively light. Buyers, on the other hand, resisted advancing prices with a feeling that the oil market probably would not justify any uncontrolled advances in local prices.

Export buying really featured the month with Europe interested right along at prices ranging from £12/7/6 to £12/17/6 with a large interest

in sundried quality from northern Europe. It was estimated that the November-December business for Europe totaled well over 15,000 tons, most of it for prompt shipment. Pacific Coast buyers of copra were forced to advance their buying prices to compete with this European demand, and business was done at prices ranging from a low of 2.30 cents per lb. c.i.f. to 2.55 cents at the top. In Cebu, where most of the selling interest was concentrated, dealers emphasized prompt shipment and sold to whatever buyer could offer the earliest delivery at approximately equal prices.

Statistics for the month follows:

Arrivals—	Sacks
Manila.....	426,783
Cebu.....	406,034
Shipments—	Tons
Pacific Coast.....	17,832
Atlantic Coast.....	3,118
Gulf Ports.....	7,325
Europe.....	9,483
China.....	15
Total.....	37,775

Stocks on hand in Manila—	
Beginning of the month.....	41,800
End of Month.....	40,690
Stocks on hand in Cebu—	
Beginning of Month.....	33,966
End of Month.....	25,332

**COCONUT OIL:** Inedible buyers continued to hold their opinion that the maximum they could pay for coconut oil was 4 cents per lb. c.i.f. New York, and for a while it looked as though they might be able to buy at their price early in December. About the middle of the month, however, a renewed edible demand crept into the market and a fair volume of business was done on the Pacific Coast at from 4 to 4-1/8 cents f.o.b. In New York a certain amount of oil was sold at 4-1/4 cents c.i.f. but all in all large buyers held back. Local oil ranged from 17-1/2 cents to 18 cents per kilo.

At the end of the year it was the general opinion that oil buyers were not carrying very heavy inventories but were operating cautiously because of the great uncertainty of the fat situation for 1936, particularly with regard to possible legislation on the part of Congress and the various States affecting oils and fats.

Statistics for the month follow:

Shipments—	Tons
Pacific Coast.....	3,837
Atlantic Coast.....	12,550
Gulf Ports.....	2,468
Europe.....	320
China and Japan.....	14
Total.....	19,189

Stocks on Hand in Manila and Cebu—	
Beginning of Month.....	17,583
End of Month.....	13,976

**COPRA CAKE AND MEAL:** Very little business developed during the month in cake and meal. Europe seemed to have bought all the copra cake she needed for the time being and was only interested in forward shipment as reduced prices. Sellers, while willing to take some reduction, were not eager to do too much business because stocks were not top heavy and the general outlook did not appear too weak. Some little business was done at prices ranging from ₱30.25 to ₱30.50 f.o.b. steamer Manila, but on the whole it was a very quiet month. Copra meal was in no great demand in the United States, but odd lots of business were done at prices ranging from \$20.00 to \$21.50 c.i.f. Coast depending on position and seller. There was a fair carry over of stocks into 1936 with the general feeling that sellers were not too well covered for future shipments.

The following statistics cover these products:

Shipments—	Tons
Pacific Coast.....	2,839
Europe.....	8,026
China.....	51
Total.....	10,916

Stocks on Hand in Manila and Cebu—	
Beginning of Month.....	7,512
End of Month.....	8,096

**DESICCATED COCONUT:** Other than the seasonal falling off in demand which always comes with the holidays there was no significant trend in the desiccated market during December. Prices remained unchanged with a base of 7-3/4 cents c.i.f. New York with production and shipments normal. Shipment for December totalled 2,953 tons. At the end of the year, desiccated factories were reported as being

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adequately supplied with raw materials with every prospect of reasonable operation in 1936. The number of desiccated mills actually operating increased by four in 1935.

**GENERAL:** The year 1935 was a pretty good one for the copra and coconut industries. The average price of copra for the year was nearly double that of 1934 and there was at all times a market, either in Europe or the United States, for copra and oil. For the first time in five years producers of copra were unable to break even. There was not, however, any big margin of profit in the business. The general increase in world prices for fats and oils, accentuated by a temporary shortage in the United States and elsewhere, swept copra and coconut oil up with it, but owing to the excise tax the improvement in coconut oil was far less than in other competing products.

The most significant development in the American oil market during the year was the swing from inedible to edible business. Coconut oil looked expensive to inedible buyers while appearing reasonably priced to edible buyers. This tendency, if continued, is not a healthy condition for it brings the Philippines into greater competition with the American farmer and dairyman than if the oil goes to its normal market, that for soap and other inedible purposes. It is to be hoped that some modification of the tax law may be evolved which will permit the resumption of the previous and more reasonable consumption percentages. Incidentally, the Philippine Government has not as yet recovered

any of the proceeds of the excise tax guaranteed it by the excise tax law. These proceeds are being held up pending the determination of certain suits brought against the Government based on the legality of the excise tax law.

What 1936 has in store for us is problematical, but general opinion seems to favor a continuance of erratic markets, with demand largely spot, for at least six months to come. Prospects are good for a normal Philippine copra crop.

### The Egg-Sucking Dog

The harvest-home festival at the plantation this story concerns was given early in December after the rice had been out and some of it bundled and shocked. Searching for eggs for the custard, to be made with coconut milk, the landlord found that a dog had got into the hen run and sucked 16 eggs, leaving few for the custard. Going again to the plantation the next morning, he took along his shotgun and one shell; if the guilty dog came around he intended to let him have it.

Because a good deal of rice in the sheaf had been stolen of nights, a few sheaves at a time, the thieves sometimes even cutting the rice, a watchman had been hired to patrol the fields and supervise the tenants during the cutting, drying, shocking and stacking. This night the watchman was given the shotgun, and told that after his rounds at midnight he might fire the gun and come back to the house and sleep. So the young man did, but as soon as he fired the gun 15 men who had been in lurking, rose

and surrounded him, overpowered him and seized the shotgun.

He made a fight to keep the shotgun, but this was vain; gun and all, he had to go along with his captors across a river boundary and a distance of 4 to 5 kilometers to an open lot in a village where more than 100 men and women, communists, whom he counted, were going through a drooping ceremony of folk song, adapted to the new faith, and fervid exhortations from leaders.

Already he had taken thought of his life by ceasing resistance and volunteering to join up with his captors. So, the ceremonies over, he was quartered in a hut with his 15 captors, a brace of whom slept either side of him, with legs over his, to make sure that he lay quietly without trying either to retrieve his gun, or make away with any of the several pistols they had, and attempt escape.

The night following he joined 60 of the band on a foray; visiting a distant rice field where the grain had been shocked, each man took a bundle, and thus provided, all returned to the headquarters village. Here each family of the 60 was given a bundle of rice; *luzons* were soon sounding from busy pestles, and by daylight when the constabulary might be coming along, all the rice had been hulled and sacked.

This day vigilance over the young involuntary recruit began relaxing after early in the morning, as was told him was ceremonial custom during initiation, he was given a communist haircut. It proved to be close cropping. He then washed

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