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New Turns In Philippine Copra And Oil Trade

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NEW turns in the copra and coconut oil trade have developed this year. Despite the generally unsatisfactory shipping condition since the commencement of the war which shut off the European market and the inclusion of copra and coconut oil in the export control system, copra values for the first eight months of 1941 have recovered from last year's record lows. In fact, average prices in May to August of the current year have exceeded the quotations which prevailed immediately after the outbreak of the war in 1939.

Exports figures from January to July also point out new outlets for copra and coconut oil, thus compensating the loss of demand from Europe. Small buyers of copra and coconut oil prior to the present war are now fast developing good-sized volumes of business, which, if maintained, will mean larger outlets for copra and coconut oil. Nearby countries have now looked to the Philippines for supplies of copra and coconut oil in increasing quantities. About 80 per centum of the Philippine copra crop are exported annually either in the form of copra or coconut oil.

Resecada prices reviewed

Resecada this year had the handicap of a poor start. It opened in January as low as P3.75 per 100 kilos, a level which approached the unprecedented 1940 low prices. Laboring under this disadvantage, the monthly average price in January was P4.23, only to drop slightly in the subsequent month to P4.06. But before the first quarter of 1941 was over, new hopes and encouragement were infused to the market. Prices began to move upward and started to recover from last year's lethargy.

Despite extraordinary large arrivals of copra in March which totalled an all-time high of 660,870 bags, Resecada average P5.08. This was P0.67 less than the 1939 average for the same month, but had a slight edge over March, 1940 which was P5.00, and over by about 30 per centum as against the bearish days of March, 1934. Ten years ago for the same month, Resecada was traded at P6.25 per picul and in March, 1935 highest price paid for copra was P9.25 per 100 kilos, the average being P8.76.

Substantial inquiries from the American market pushed local values to higher marks in the next two months. Resecada made new levels and in May the peak was reached at P11.50, the highest price so far attained for the current year. Monthly average in May at P9.46 was well-above the 1939-1940 prices and in fact the best since August, 1937.

Despite anticipation of liberalizing the export control system to Russia, following the extension of German hostilities to the Soviets and the seasonal low production of copra, arrivals in June being 456,

P7.75 or about 18 per centum less than May of the current year. The prediction of Mr. Leon Henderson, Chief of the Office of Price Administration and Civilian Supply, that price ceilings for cottonseed oil at "considerably below the market" may be established in view of the rapid increase in the price of cottonseed oil had produced an unsettling effect to Resecada. As the Henderson statement injected a note of caution, local traders avoided large commitments.

Prospects of increased tonnage in July following the announcement by the United States Maritime Commission that Danish vessels would be placed on the Philippine-United States run lifted values from the recession in June. Resecada was traded as high as P10.00 by mid-July, but the activity of the market dried up in the second-half as a result of the tense political outlook in the Far East. The destruction of the Meralco's generator which hampered milling operations of local crushers interrupted the flow of output, thus accentuating buyers' apathy to the acquisition of copra supplies at the prevailing quotations. As a consequence, July quotations averaged only P8.76. But this was P1.01 better than the average of the previous month and more than twice that of July, 1940 and about 58 per centum higher than 1939 for the same month. Compared with Resecada prices five years ago, July average prices were about 30 per centum higher.

Although the average price in August was P0.38 lower than July, yet it may be pointed out that the trend indicated higher values for copra. Prices at the closing week of August were moving to better marks, attributed largely to a set of factors, viz, the relief from imminent danger in the Far East; the easing up of the freight situation; and the announcement by the OPACS that no price ceiling would be established for fats and oils unless deemed necessary, in which case a formal schedule would be issued for the entire fats and oils. At this moment of writing (September 13), Resecada is quoted as high as P10.25, with a possibility of doing business at slightly higher prices for good parcels.

Copra and coconut oil exports analyzed

Export figures for the first seven months of the year indicate new and fast developing markets for copra and coconut oil. Statistics compiled by the Bureau of Census and Statistics show that Philippine exports from January to July of the current year have totalled 179,064,617 kilos of copra, 127,491,617 kilos of inedible coconut oil, and 3,808,399 kilos of edible coconut oil.

Of our copra shipments, about 75 per centum have been absorbed by the American market. This makes the United States our leading buyer still, but

equally outstanding has been the demand from other countries.

Japan now ranks second, with 29,157,531 kilos to her credit, constituting about 16.28 per centum of the total Philippine copra shipments. These exports are tremendously more than the combined shipments made in 1939 and 1940 to that country. Japanese imports from the Philippines totalled in 1939 only 2,151,183 kilos, which were reduced in 1940 to 210,289 kilos. In 1939 and 1940 exports to Japan are both under one per centum of the totals for each year.

Despite the fats and oils resources of Soviet Russia, she comes third in the absorption of Philippine copra exports. Shipments to Russia so far have reached 5,892,800 kilos, but this figure is very far off compared with that of last year which aggregated 22,488,144 kilos. There were no copra exports to Russia in 1939.

Exports of copra to China bear close watching. With a population of over 450 millions, no argument needs to be shown to stress the importance of the Chinese market, considering its proximity to the Philippines. While only 499,060 kilos went to China in 1939, shrinking in 1940 to 101,500 kilos, shipments this year have now reached 8,271,166 kilos, thus accounting for about 4.61 per centum of the entire Philippine copra trade thus far. Possibilities are not remote that China would need enormous quantities this year.

Of the smaller countries, purchases by the Republic of Panama and by Chile are fast developing into good-sized business. New outlets are thus formed for our copra. The Republic of Panama for the first seven months of the year has imported from the Philippines 516,304 kilos, valued at P36,500. No exports to that area were made in 1939, but last year shipments totalled 724,648 kilos.

Exports to Chile this year have already amounted to 406,400 kilos. In 1939 our copra business with Chile reached as high as 2,292,121 kilos, netting for the Philippines P163,740. Chile is an intermittent buyer. No purchases were recorded for her account in 1940. But with the proper encouragement, bigger quantities may be attained this year.

Philippine trade on inedible coconut oil this year suggests possibilities of expansion and development of the nearby markets. The United States is still our principal buyer. Exports for the first seven months of the year to the United States have reached 106,995,476 kilos which are about 83.92 per centum of the total shipments thus far. Our neighbors—Japan and China—are now second and third, respectively, while British Africa and Kwantung come next in importance.

Japan did not import in 1939, but the negligible quantity sent in 1940 which totalled 6,006 kilos has increased this year to 13,874,417 kilos, valued at over a million and a half pesos. Exports to Japan are about 10.88 per centum of the total shipments of inedible coconut oil to all countries. In previous years shipments to Japan were always below one per cent of the total coconut oil trade.

Philippine exports to China have now accumulated to 4,821,016 kilos, or about 3.78 per cent of the

inedible coconut oil business for the first seven months of the year. This quantity which we are sure would be much more at the end of the year, is already the highest on record as regards China, as exports in previous years fluctuated from a fraction to slightly more than one per cent.

Quantities shipped to British Africa are now approaching the exports made in 1939 and 1940. Totals for the first seven months of the year have aggregated 776,830 kilos as against 1,863,290 in 1939 and 1,321,756 last year. Philippine inedible coconut oil exports to British Africa, in fact, have exceeded the combined purchases in 1940 of Russia, Thailand, British East Indies, Hongkong, Malaya, Argentina, Dutch East Indies, and Japan, or about thrice as much the imports of Germany in 1939.

Kwantung has to her credit this year 752,271 kilos, a close runner-up of British Africa. While no shipments were made in 1939 and 1940 to that area, this year's exports are almost at par with the quantities sent in 1940 of Cuba and Russia put together, and slightly more than twice the combined exports in 1939 to Italy and Germany.

Hongkong, Thailand, Chile, Costa Rica, and Malaya are also fast amassing bigger volumes. Thailand, for instance, has already exceeded its imports of 48,900 kilos last year by 2,000 kilos, and may still top its purchases of 77,436 kilos in 1939 before the current year is over. The imports of Costa Rica and Chile consisting of 34,648 and 59,497 kilos, respectively, may yet be extended to larger quantities.

In the edible field, Hongkong leads the other countries as shipments from January to July this year have reached 1,427,493 kilos or about 37.47 per centum of the entire edible coconut oil exports. United States is second with 1,152,149 kilos to her credit, constituting about 29.72 per cent.

Japan ranks third, with China closely following. While no shipments were made in 1939 and the exports in 1940 consisted of an insignificant quantity of 599 kilos, Japan now has already absorbed 570,024 kilos, or roughly 15 per centum of this year's total shipments.

China is credited with 533,976 kilos this year, which is equivalent to about 14 per centum of all the exports. This quantity is more than twice the combined exports to the same country for the last two years, and slightly more than the exports in 1940 to Dutch East Indies, France, British East Indies, Egypt, Thailand, India, Burma, and Japan put together.

Imports of Thailand and India this year have already exceeded the respective levels for the past two years. Thailand has accounted for 59,852 kilos and India with 40,620 kilos.

Malaya and British East Indies are lagging behind this year. Exports so far made to these countries are very much below the 1940 figures. Malaya has only acquired so far 35,334 kilos as against 442,103 kilos of last year. Shipments to British East Indies have amounted only to 8,930 kilos compared with 47,771 kilos in 1939 and 90,791 kilos in 1940. But before the year is over, the levels in previous years may yet be attained.

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COCONUT AS FOOD

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min B and G. The work of Miller showed that the soft spoon or young coconut has a higher vitamin A content than the mature one. There seems to be a conflicting report on the vitamin C content of coconut for while some investigators believe that vitamin C is lacking in all forms of Coconut others believe that it is present in water and in the soft pulp juice of the young coconut. BANERJEE found that the coconut palm juice is very rich in vitamin C and that it did not change in quantity after spontaneous fermentation for 24 hours. He also found that the green coconut kernel contains less vitamin C than the coconut palm juice. Biswar and Ghosh found that the largest amount of vitamin C is found in the follicle of the germinated fruit, that the vitamin C content in the water is richest in the green nut with soft pulp and that it diminishes in the water and pulp as the coconut matures. Hehmano and Sepulveda who worked on the vitamin B content of different Philippine foods found that the immature meat contains no appreciable amount of vitamin B. Salmon and Goodman, however, found that mature coconut has sufficient vitamin B content.

NEW TURNS

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Conclusion

By and large, therefore, it may be broadly stated that—

(1) Prices of Resecada are the best since the start of the war and judging from recent trends it may be said that producers may yet obtain higher re-

A certain amount of roughage in our diet is conducive to a normal assimilation and the intake of concentrated foods alone is often the cause of digestive disturbance. It follows, therefore, that coconut may be most advantageously used in a diet consisting of bread, crackers, biscuits, cakes, boiled rice, and boiled roots.

Dr. Vicente Lava of the Bureau of Science, produces coconut milk which is very palatable and highly nutritious as a by-product of the Lava process in the manufacture of deodorized highly refined coconut oil. He claims that the lacking vitamin A and inorganic constituents, may easily be supplied. The coconut milk he makes when flavored with chocolate has a better taste than other coconut products here. In the Lava process, coconut flour is also produced as one of the by-products. This flour makes good cakes, breads, biscuits, muffins, and many other palatable preparations. Recipes of this flour will be included in the revised, enlarged booklet on coconut by Mrs. Paciencia E. Lopez and Miss Maria Y. Orosa.

I hope that I have succeeded in convincing you that coconut is an excellent food. For better health and for the good of the coconut industry and more coconut in your daily diet.

turns for copra, more particularly so if one of the objectives of the National Coconut Corporation to the effect that only white and clean copra be produced could be realized sooner than expected.

(2) The loss of the European market, at least while the war exists, may in time be offset by the increasing demand from nearby countries and the development of markets which are deficient in fats and oils.

TABLE I—PHILIPPINE COPRA EXPORTS

Country of Destination	1 9 3 9		1 9 4 0		1 9 4 1 (*)	
	Quantity (Kilos)	Value (Pesos)	Quantity (Kilos)	Value (Pesos)	Quantity (Kilos)	Value (Pesos)
United States	225,076,847	15,060,132	213,601,478	12,382,764	134,820,416	9,176,545
France	46,290,571	3,104,337	34,182,505	2,615,805	—	—
Russia	—	—	22,488,144	1,129,881	5,892,800	261,000
Sweden	16,578,194	1,108,828	12,126,695	857,978	—	—
Great Britain	—	—	8,079,437	425,305	—	—
Spanish Africa	—	—	4,927,600	388,000	—	—
Denmark	17,144,855	1,160,636	5,384,000	369,520	—	—
Spain	1,524,000	100,000	5,080,000	250,971	—	—
Italy	—	—	2,635,449	173,012	—	—
Mexico	27,292,795	—	2,336,800	160,000	—	—
Panama, Republic of	—	—	724,648	34,206	516,304	36,500
Japan	2,151,183	145,362	210,289	6,080	29,157,531	2,527,476
Egypt	2,328,996	153,367	51,690	5,000	—	—
China	499,060	32,280	101,600	4,200	8,271,166	560,418
Germany	5,853,213	367,163	—	—	—	—
Malaya	459,817	26,926	—	—	—	—
Netherlands	50,269,688	3,284,163	—	—	—	—
Turkey	610,759	54,490	—	—	—	—
Chile	2,292,121	163,740	—	—	406,400	60,143
Gibraltar	2,295,038	167,500	—	—	—	—
TOTAL	400,667,137	26,802,495	311,930,371	18,802,722	179,064,617	12,622,082

(*) January-July, 1941 only

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TABLE II
PHILIPPINE COCONUT OIL EXPORTS, (INEDIBLE)

Country of Destination	1939		1940		1941 (*)	
	Quantity (Kilos)	Value (Pesos)	Quantity (Kilos)	Value (Pesos)	Quantity (Kilos)	Value (Pesos)
United States	155,587,480	16,734,044	158,283,670	16,192,280	106,895,476	13,426,578
British Africa	1,863,290	179,752	1,321,756	143,553	776,830	121,170
Canada	3,845,833	405,929	8,089,675	799,429	—	—
Sweden	1,482,253	221,104	3,776,342	475,001	—	—
Italy	45,138	6,281	1,627,807	272,872	—	—
France	9,875	1,375	1,573,754	227,608	—	—
Switzerland	—	—	903,117	136,958	—	—
Belgium	—	—	609,020	101,680	—	—
China	482,047	75,489	449,441	59,665	4,821,016	692,238
Cuba	304,800	34,247	508,000	47,290	—	—
Russia	—	—	304,800	27,000	—	—
Thailand	77,436	11,268	48,900	9,600	51,000	12,760
British East Indies	309,548	61,167	44,792	9,157	—	—
Hongkong	93,211	15,296	49,814	7,426	118,222	14,341
Malaya	316,412	57,826	27,868	5,587	7,913	1,625
Argentina	—	—	20,108	4,958	—	—
Dutch East Indies	25,780	5,710	14,793	4,176	—	—
Japan 1	—	—	5,006	1,089	13,487,417	1,535,726
Germany	273,614	29,000	—	—	—	—
French East Indies	5,994	1,213	—	—	—	—
Kwantung	—	—	—	—	752,274	129,800
Costa Rica	—	—	—	—	34,648	9,454
Chile	—	—	—	—	59,497	19,800
TOTAL	164,724,711	17,839,651	177,458,863	18,525,329	127,491,293	15,963,482

(*) January-July, 1941 only.

TABLE III
PHILIPPINE COCONUT OIL EXPORT (EDIBLE)

Country	1939		1940		1941 (x)	
	Quantity (Kilos)	Value (Pesos)	Quantity (Kilos)	Value (Pesos)	Quantity (Kilos)	Value (Pesos)
Hongkong	2,054,555	361,490	6,352,228	857,572	1,427,493	202,051
Malaya	30,771	6,030	442,103	71,189	35,334	5,447
United States	648,612	90,758	634,327	55,615	1,132,149	207,150
China	3,255	544	280,688	50,874	533,976	100,578
Dutch East Indies	122,292	29,051	174,683	44,282	7	7
France	—	—	175,499	27,750	—	—
China, Portuguese	—	—	167,476	21,535	—	—
British East Indies	47,771	10,337	90,791	16,105	8,930	1,150
Egypt	—	—	53,676	11,898	—	—
Thailand	6,440	1,016	45,550	7,407	59,852	10,217
India	—	—	18,674	2,647	40,630	6,909
Burma	—	—	7,000	1,320	—	—
Japan	—	—	599	158	570,028	120,000
TOTAL	2,913,696	499,226	8,443,294	1,198,352	3,808,399	753,506

(x) January to July, 1941 only

The best substance for filtering air, particularly in gas masks, is charcoal made from coconut shell. One gram of its particles, or less than a teaspoon contains about 3,000 square yards of absorbing surface.—*Colliers*, August 9, 1941. "Keeping up with the World."