

**REVIEW OF THE EXCHANGE MARKET**

By **RICHARD E. SHAW**  
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The U. S. Dollar T.T. selling rates were well sustained during September at from 16 1/2 to 17 1/2 premium. All Banks were eager buyers of Gold Dollar telegraphic transfers for ready delivery at 3 1/2 premium and in certain instances 3 3/4 was done for moderate amounts to the end of the year. Although the sugar export season is approaching, no signs of weakness in the exchange market

were apparent at the close. The following purchases of U. S. Dollar T.T. have been made from the Insular Treasurer since our last report:

Week ending August 29th	U.S.\$300,000
Week ending September 5th	100,000
Week ending September 12th	400,000
Week ending September 19th	300,000

The Sterling market opened with sellers at 2 - 3 8 and did not vary to any great extent from that level until September 18th, when the spectacular decline in the New York-London cross-rates started. The uncertainty as to tendency of Sterling was such that Banks were forced to quote nominal rates for buying and selling, although by the end of the month settlements were made for small amounts on the basis of conservatively wide margins. No definite forecast as to the market can be made at this writing.

The New York-London Cross-rate was quoted at 4.8612 on August 31st, stood at the same level on September 1st, which was the high point registered for that month. The market fluctuated moderately until September 19th, when

the rate fell from 4.8570 to 4.85 and then rapidly weakened to 3.70 on September 26th. A slight recovery was made and at the month end the rate stood at 3.90.

London Bar Silver prices on August 31st were 12-13 16 ready and forward. The white metal touched a low of 12-3 1/4 ready and 12-7 3/8 forward on September 19th, jumped to a high of 19-1 1/2 ready and 19-11 16 on September 26th and finally closed on September 30th at 16-3 8 ready and 16-5 16 forward.

The quotation for New York Bar Silver on August 31st was 27-1 2. This same rate was registered on September 2nd and September 19th, which was the low for that month. The rate rose to a high of 29-1 4 on September 22nd and closed at 28-1 8 on the last day of the month.

Telegraphic transfers on other points were quoted as follows on September 30th:

Paris	12.45
Madrid	92 3/4
Singapore	Par
Japan	100 1/2
Shanghai	151 3/4
Hongkong	52 1/2
India	Nominal
Java	121 3/4

**REVIEW OF THE HEMP MARKET**

By **L. L. SPELLMAN**

*International Harvester Company of Philippines*



This report covers the Manila hemp market for the month of September with statistics up to and including September 28th, 1931.

U. S. GRADES: Early September quotations in New York were for Davao F, 6-1 2 cents; G, 3-7 8 cents; I, 5-1 8 cents; J1, 4-5 16 cents. These were sellers' prices but buyers were not interested al-

though business would probably have resulted at slightly lower prices. Housemarks other than Davao were offered at D, 10-1 2 cents; E, 8-1 4 cents; F, 6-1 4 cents; G, 3-7 8 cents; I, 5-1 4 cents; J1, 4-1 8 cents; S1, 6-1 4 cents; S2, 5-3 8 cents; S3, 4-3 8 cents. These offers were reduced during the next few days, sellers offering Housemark D, at 9 cents; E, 7-3 4 cents; G, 3-3 8 cents; I, 5-1 8 cents; S2, 5-1 2 cents; S3, 4-1 8 cents. The market continued dull during the first half of the month and by the middle of the month sellers of Davao hemp were quoting: F, 6 cents; G, 3-9 16 cents; I, 5 cents; J1, 4 cents; S1, 6 cents; S2, 5 cents; S3, 4 cents; J2, 3-5 8 cents; K, 3-3 8 cents. Other housemarks were quoted at D, 8-7 8 cents; E, 7-1 2 cents; F, 5-7 8 cents; G, 3-1 2 cents; I, 4-7 8 cents; J1, 3-5 8 cents; S1, 5-7 8 cents; S2, 4-7 8 cents; S3, 4 cents. Sales of Davao I were made at 4-7 8 cents. The continued high production of U. S. grades were still affecting buyers' ideas of prices. The market remained quiet during the latter part of the month and sellers were offering Davao F at 5-3 4 cents; I, 4-3 4 cents; J1, 3-3 4 cents; G and J2, 3-3 8 cents.

The Manila market for U. S. grades was very quiet early in September and nominal prices were: F, P12; G, P6.25; H, P5.75; I, P9.25; J1, P7; S1, P12; S2, P9.50; S3, P7. By the middle of the month nominal prices had gone off to F, P10.50; G, P5.50; H, P5.25; I, P8.25; J1, P6; S1, P10.75; S2, P8.50; S3, P6.25. At this period a little more interest was shown in Streaky grades but generally speaking buyers were indifferent and the market very quiet. During the second half of the month prices continued to fall off, the end of the month quotations being: F, P9.75; G, P5.25; H, P5; I, P7.25; J1, P5.50; S1, P10; S2, P7.50; S3, P5.50 and a small amount of business was done at slightly below these quotations for some of the grades.

U. K. GRADES: Buyers retired on the first of the month and at the close the market was depressed. In the absence of business, the following prices were quoted as nominal: J2, £16.10; K, £15.5; L1, £14.5; L2, £13; M1, £14.5; M2, £12.5; DL, £12; DM, £11.10. During

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the first half of the month the market was dull and it became slightly easier by the middle of the month, at which time sellers were quoting: J2, £16; K, £14.5; L1, £13.10; L2, £12.5; M1, £14; M2, £11.15; DL, £11.15; DM £11.5 but buyers were holding off although speculators were offering to consumers at very low prices. By the middle of the last half of the month, the market became firm and sellers had withdrawn. At this time quotations were: J2, £16.10; K, £15.10; L1, £14.10; L2, £13.10; M1, £14.10; M2, £12.10, but with very little fiber offering. From this time on to the end of the month prices rose almost daily on account of the low exchange rate of Sterling. At the close of the month the market was quiet but steady on the basis of: J2, £18.10; K, £17.10; L1, £16.10; L2, £15.10; M1, £16.10.

Very little interest was shown in the Manila market for U. K. grades at the early part of the month, ruling prices being: J2, P6.25; K, P5.50; L1, P4.75; L2, P4.50; M1, P5; M2, P3.75; DL, P3.75; DM, P3.25 and although receipts improved somewhat, they were below estimates. The production of U. S. grades continued to increase at the expense of the lower grades except in the case of Damaged grades which continued to arrive considerably above normal as to quantity. The middle of the month found buyers exhibiting very little interest as there was practically no demand in the consuming markets. Nominal prices were for J2, P5.50; K, P5; L1, P4.25; L2, P4; M1, P4.50; M2, P3.50; DL, P3.50; DM, P3. Buyers were holding off during the last half of the month and near the end of that period, a small amount of business was transacted at J2, P5; K, P4.50; L1, P3.75; L2, P3.25; M1, P4; M2, 3; DL, P3; DM, P2.50.

MAGUEY: Practically no sales of Manila Maguey were made as the production of this article is at present negligible. The Cebu production of this fiber is also low, averaging about 750 Bs. a week, with nominal prices for CMR2 ranging from P3.75 to P4 per picul for the loose fiber and P3.25 to P3.50 for CMR3.

PRODUCTION: Weekly receipts for September

were: 16,000 Bs. for the week ending Sept. 7th; 17,000 Bs. for the week ending the 14th; 13,000 Bs. for the week ending the 21st and 14,000 Bs. for the week ending the 28th.

FREIGHT RATES: On the 8th of September the Philippines-Europe Conference established a rate from Legaspi of 10% per ton of 20 cwt. over the base rate to apply to either direct shipments or those made with transshipment. No further changes were made.

STATISTICS: The figures below are for the period ending September 28th, 1931.

	1931 Bs.	1930 Bs.
Manila Hemp		
On January 1st.....	112,802	195,035
Receipts to date.....	857,765	1,008,337
	970,567	1,203,372
Shipments to—		
United Kingdom.....	232,229	235,892
Continent.....	125,942	139,376
United States.....	177,572	403,367
Japan.....	264,606	225,661
Elsewhere.....	47,348	75,744
	817,697	1,080,040

dition, although the supply of superior grade cigar leaf, applicable for wrappers, is not abundant. Except for shipments to foreign monopoly administrations, the export trade for the months of September was quiet. Comparative figures for September exports are as follows:

	Rawleaf, Strip- ped Tobacco and Scraps Kilos
Australia.....	950
China.....	2,392
Hongkong.....	2,879
Java.....	1,785
North Africa.....	9,095
North Atlantic (Europe).....	68,877
Spain.....	2,263,851
Straits Settlements.....	590
Tonkin.....	72
United States.....	124,036
	2,474,527
January-September, 1931.....	14,679,866
January-September, 1930.....	13,032,319

CIGARS: The unsatisfactory conditions prevailing in Far Eastern countries continue to adversely influence the export business. According to rumors, higher tax and duty rates are again being contemplated in China. While exports to the United States maintain a satisfactory volume, prices obtained leave much to be desired. Comparative figures for the trade with the United States follow:

Period	Cigars
September.....	14,683,741
January-September 1931.....	118,208,875
January-September 1930.....	111,363,545

**TOBACCO REVIEW**  
By P. A. MEYER  
*Alhambra Cigar and Cigarette Manufacturing Co.*

RAWLEAF: During September most of the 1931 crop of tobacco in the province of Cagayan was bought up from the farmers. In Ysabela province about one third of the crop still remained unsold at the beginning of October. Practically all tobacco of the two provinces is in sound con-


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