REVIEW OF THE EXCHANGE MARKET

BY RICHARD E. SHAW Manager, International Banking Corporation



The market has been stagnant but the U.S.\$. TT selling rate has been firmly maintained at the level of 11/8% premium because of the inability of the Banks to secure export exchange in any but limited amounts to cover their gold positions. Competition was keen for any bills offering at 1/4% premium for O/D and 1/8% discount for 60 d/s Credits.

Nearly all Banks were buyers of U.S.\$ TT at

34% ready and forward to the end of October.

The following purchases of telegraphic transfers have been applied to the end of October. fers have been made from the Insular Treasurer since last report: Week ending

July 27th..... \$1,452,000 August 3rd..... August 10th..... 200 000 400,000

August 17th. 250,000 Sterling rates have shown practically no fluctuation, with sellers of TT at 2/-7/16 and buyers at 2/-9/16.

buyers at 2/- 9/16.

July closed with the New York London crossrate quoted at 485 5/16. The highest point
reached during August was 485 5/16 on the 2nd
of that month. The rate gradually weakened
until on August 30th and 31st it touched the
low point for the month, 484 11/16.

On July 31st London Bar Silver quotations
stood at 24½ ready and 24% forward. Rates
rose to a high of 24½ ready and 24% forward
on August 22nd and had dropped to 24½ ready
and 24% forward at the month end.

and $24\frac{5}{16}$ forward at the month end. New York Bar Silver was quoted at 525% on July 31st, was high for August on the 22nd at 52%, was low at 52¼ on the 7th, and closed at 525% on the last day of the month.

Telegraphic transfers on other points were quoted as follows on August 31st:
Paris, 12.40; Madrid, 151; Singapore, 114; Japan, 95; Shanghai, 845%; Hongkong, 981%; India, 136; Java, 122½.

THE RICE INDUSTRY

By PERCY A. HILL of Muñoz, Nueva Ecija. Director, Rice Producers' Association



Prices for both rice and palav are substantially the same as in last review with steady demandandwithahigher tendency, Imports during the past month have been considerable, but prices of rice in overseas export countries promise to stiffen during the next three months. Palay prices per cavan at buying terminals are from

₱4.10 to ₱4.30 and rice at consuming centers from ₱9.15 to ₱10.30 according to grade which is some

P2.00 more than for the same period last year.

The transplanting of the new crop has been delayed some three weeks, due to lack of timely rains, but is about finished. This late planting will have an adverse effect on the volume of the next crop. Due to the idea of domestic protection in rice-consuming countries the following import duties obtain in countries to which any surplus produced by the Philippines might be exported. Our own protective tariff is approximately \$\mathbb{P}\$1.72 per sack of 57½ kilos. Australia has a tariff of approximately \$\mathbb{P}\$1.85 per sack; Japan, \$1 per sack, and China expects to levy a certain tariff on rice imports in the near

As for exporting any rice to the United future. States this is out of the question; as she herself exports her surplus, she is no outlet for any possible surplus produced here.

In reference to any expansion of our rice area, this seems to have reached its limit at present writing except in Nueva Ecija, which has this year about 210,000 hectares under cultivation. Concentra-tion must therefore lie squarely on the following factors: (a) Lowering of production costs including transplanting, threshing and transportation; (b) increase of yields by irrigation, fertilization and proper seed selection, as those lands yielding less than 35 cavans per hectare should be eliminated; (c) focus milling demands on specific varieties which give the greatest milling recovery and discard those of thick hulls, small grain and fancy tastes; (d) an accurate crop-estimate service is necessary for co-ordina-

Imports of rice into the islands for 1928 show that Cebu imports were almost double those shipped direct to Manila from overseas.

RAIL COMMODITY MOVEMENTS

By L. ARCADIO

Acting Traffic Manager, Manila Railroad Company.

The following commodities were received in Manila July 26, 1929, to August 25, 1929, both inclusive, via Manila Railroad:

1929

	July	August
Rice, cavans	121,937	131,562
Sugar, piculs	2,464	1,344
Tobacco, bales	36,120	34,140
Copra, piculs	221,100	291,500
Coconuts	3,226,300	870,100
Lumber, B. F	734,400	12,420
Dessiccated coconuts,		
cases	12,177	19,926

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