

COPRA AND ITS PRODUCTS

By **KENNETH B. DAY**
AND **LEO SCHNURMACHER**



KENNETH B. DAY

November was a very weak month for all coconut products. Owing to the increasingly evident oversupply of all fats and oils, particularly cottonseed, plus the general decline of American industry which assumed large proportions during the month, the tendency of both copra and oil was downward, almost without a break from the beginning of the month to the end.

COPRA—Copra arrivals showed a seasonal decline in November, but this decline was very much more evident in Manila than in Cebu. In Manila, arrivals were around 25% under those of October but were almost 50% above those of November 1936, and were 17½% above the average

for the past eleven years. Cebu recorded the biggest November on record and while arrivals were 6% under those of October, they exceeded those of November 1936 by 74% and were 82.6% above the last eight years average. Cebu arrivals have been exceptionally heavy this year and bid fair to continue heavy for the future.

The month opened with copra selling in the Manila market at P8.50 per hundred kilos *resecada*. Prices gradually slumped almost of their own weight until by the middle of the month they were down to P7.75 and at the end of the month buyers' ideas were P7.00 with no business done at over P7.25. Sellers resisted the decline all the way down the line, but it was evident that the reaction in copra was consistent with the reaction in other commodities the

world over. Nevertheless, it was felt that at the end of the month a good deal of copra was being held in storage in the provinces with the hope that prices may react upward in December, or January at the latest.

Export markets for copra declined throughout the month both in Europe and in the United States. In Europe, prices dropped from £14/2/6 to £12/10/0 for sun-dried quality with F.M.Q. quoted at 5 shillings lower. On the Pacific Coast prices dropped from \$2.55 per hundred pounds c.i.f. to \$2.25. A fair amount of copra was sold both to Europe and the United States during the month. Some Philippine dealers had copra space available at previous freight rates which they were able to cover up profitably in November. Some busi-



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ness, however, was done at current rates. Most export business was for November-December shipment and it was thought that dealers were not overselling themselves on this market.

Shipments for the month maintained fairly good levels. A recapitulation of shipments for the year shows a total of 203,771 tons exported in 1937 as against 263,798 tons exported in 1936—a decrease of almost 23%. A large part of this was due to the shortage of copra during the first few months of the year plus the impossibility of transporting copra to the United States owing to the shipping strike. Coconut oil, on the other hand, is holding up very well with exports of 148,557 tons for the first eleven months of 1937 as against 148,893 tons for the first eleven months of 1936.

Statistics for the month follow:

Arrivals:

	Sacks
Manila	381,839
Cebu	451,343

Shipments:

	Metric Tons
Pacific Coast	17,338
Atlantic Coast	1,917
Gulf Ports	4,090
Europe	2,063
Other Countries	701

26,109

Stocks on hand:

	Beginning of Month	End of Month
	Tons	Tons
Manila	36,104	30,060
Cebu	30,184	29,064

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THE RICE INDUSTRY

By
DR. V. BUENCAMINO
Manager, National Rice & Corn Corporation



The market encountered very aggressive buying throughout the period under review. In the face of a greatly reduced crop and the comparatively light arrivals from the supplying centers, prices hit new highs for the year. Elon-elon netting an advance of 85¢ and Macan 45¢. Sellers' position was strengthened further by the continuous rains during the month which rendered the drying of the early crop extremely difficult. The trade, therefore, had to depend mainly on the old crop which was already nearing exhaustion. What little of it remained was in strong hands. At the close of the period there were strong indications of further appreciation in values.

November arrivals by rail and water were the lowest during the year, as may be gleaned from the following table:

Month	Quantity
January	183,848 sacks
February	174,406 "
March	202,598 "
April	181,318 "
May	144,708 "
June	160,797 "
July	194,663 "
August	144,144 "
September	131,048 "
October	125,571 "
November	101,265 "
TOTAL	1,744,366 "

Opening and closing quotations on the Tutuban Rice Exchange were as follows:

Elon-elon and Macan (Manila Quality)
(Sellers, per sack of 57 kilos, net)

	Opening Quotations	Closing Quotations
Elon-elon:		
1st class	P6.15-P6.25	P7.00-P7.10
2nd class ...	6.05- 6.15	6.90- 7.00
Macan:		
1st class	P5.60-P5.70	P6.05-P6.15
2nd class ...	5.50- 5.60	5.95- 6.05

Palay prices were maintained above the parity of rice in Manila in view of the expected shortage of the new crop. In spite of very attractive prices being offered by speculators, sellers were not keen in anticipation of more favorable prices in the future. While no definite figure on the extent of the damage sustained by the present crop is available, it is generally admitted in well-informed quarters that it may fall short of the country's require-

ments for 1938. Some observers ventured to estimate the probable damage to the crop by as high as 30% and look forward to the possibility of the country's necessitating importation from abroad next year. Opening and closing quotation in Cabanatuan are given below:

Macan Ordinario (Cabanatuan Quality)
(Per sack of 44 kilos, net)

	Opening Quotations	Closing Quotations
Macan No. 2 ...	P2.60-P2.65	P2.85-P2.90
Inferior	2.30- 2.45	2.55- 2.60

Copra and...

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ticularly in the belt from Samar to north Panay, including Romblon. It is estimated that the total normal crop of the Islands might be affected 10% by the November storms plus the storm which took place early in December. On the other hand, barring accidents, next year's crop should be a very reasonably good one providing prices will justify production.

At the beginning of December all markets were very lifeless and the general prediction was that no material pick up in copra and oil can be expected until the second quarter of 1938, although it is entirely probable that certain markets will improve to a limited extent, notably the European copra market, which with no excise taxes to pay, still finds copra very reasonably priced.

Three Mines...

(Continued from page 15)

Mr. Bergmann estimates present ore reserves at 70,000 tons of proved and prospective ore, valued at P2,874,000.00. Probable ore is estimated at 50,000 tons, having an estimated value of P1,750,000.00, giving a total value of P4,624,000.00, "without considering the potential value of undeveloped veins."

The mill is a combined flotation and cyanide plant. The flotation part is already installed, and practically ready to go into operation. It has been designed for a maximum tonnage of 250 tons, but provision has been made for a possible future increase to five or six hundred tons. All buildings, including power house, staff houses, laborers' quarters, hospital, etc., have been completed. The staff at present consists of R. G. Bergmann, consulting engineer in charge of operations, Glenn L. Allen, General Superintendent, W. Stine, construction superintendent, A. R. Baba, mine superintendent, and H. H. Mackenzie, master mechanic.

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