September	4.17	3.85	3.85	16,500	"
March, 1950	3.49	3.24	3.23	8,800	"
Total				105,800	tons

Contract No. 5

March	5.43	5.21	5.20	32,300	tons
May	5.36	5.18	5.18	80,750	"
July	5.35	5.17	5.17	108,600	"
September	5.34	5.17	5.17	53,300	"
November	....	....	5.18	...	"
December	5.28	5.22	5.14	200	"
March, 1950	4.94	4.78	4.78	1,600	"
Total				276,750	tons

Local Market. (a) Export Sugar. The price advanced to ₱13.25 in the early part of March, and then fell to ₱13 following the trend of the New York market. With the recovery of the latter market, however, there has been an active demand for export sugar here at steadily advancing prices. At the close, there are buyers at ₱13.35 per picul, ex mill warehouse.

(b) Domestic Sugar. PRATRA is reported as a buyer of domestic centrifugal sugar at ₱16 per picul, ex mill warehouse, and the provincial market seems to have stabilized itself at that price. Latest Manila quotations are ₱16.50 per picul for centrifugal sugar and from ₱17 to ₱18.50 per picul for the various grades of washed sugar.

General. The effective period for the freight rate of $15.50 on centrifugal sugar from the Philippines to United States Atlantic and Gulf ports has been extended from April 30 to June 30, 1949.

Our 1948-49 milling operations are proceeding normally. Indications are that the crop in Luzon will be below estimate. In Negros, a few districts are running over estimate, but drought is affecting the cane in others.

Manila Hemp

By H. Robertson

Vice President and Assistant General Manager, Macleod and Company of Philippines

THIS review covers the period February 16 to March 15, 1949. During this time abaca prices declined steadily, both in consuming markets and in the Philippines. An unusual feature has been the severity of the decline in Davao values in the Philippines which amounted to some ₱6.50 per picul in the more common grades, as compared with a decline of only ₱0.50 per picul in the corresponding non-Davao grades. This has resulted in certain Davao grades being offered currently in New York at ½¢ to 1¢ under the price of these non-Davao grades. The present state of affairs must right itself soon by a decline in non-Davao values or a firming up in Davao. Davao hemp almost always demands a premium over non-Davao. The cause of this unusual feature is believed to be the existence of a substantially oversold position in non-Davao hemp and the scarcity of the better non-Davao grades other than G and J1.

The United States market has ruled dull to very weak throughout the period, with Davao exporters pressing to get ahead with sales at a time when consumers were displaying no interest. Non-Davao offerings were small and prices nominal. Relatively little non-Davao business was done during the period.

SCAP bought both Davao and non-Davao grades quite heavily on the decline. Purchases made by SCAP of non-Davao G and J1 were made at prices cheaper than those which exporters had to pay in the provinces to obtain their fiber. This would be understandable if SCAP bought for forward shipment, but their purchases are for prompt shipment. At no time did SCAP purchases of non-Davao G and J1 reflect the provincial values of these grades.

Demand from Europe was scattered, but was probably up to the level of the past two months.

The following nominal provincial values on March 15 illustrate the trend of prices over the period.

	Per Picul Basis Loose							
Davao I . . .	₱62.50 —	Down ₱6.50	per	picul	from	February	15
Davao J1 .	61.00 —	" 6.50	"	"	"	"	"
Davao G . .	55.00 —	" 5.00	"	"	"	"	"
Non-Davao I	64.50 —	" 0.50	"	"	"	"	"
Non-Davao G	47.00 —	" 0.50	"	"	"	"	"
Non-Davao K	28.00 —	" 1.00	"	"	"	"	"

New York quotations on March 15:

	Per lb. C.I.F. New York						
Davao I	28½¢ —	Down 1½¢	per	lb.	from	February	15
Davao J1 . . .	28⅛¢ —	" 1½¢	"	"	"	"	"
Davao G	25¾¢ —	" 1⅛¢	"	"	"	"	"
Non-Davao I .	29¢ —	" ½¢	"	"	"	"	"
Non-Davao G .	22⅛¢ —	" ½¢	"	"	"	"	"
Non-Davao K .	15¢ —	" ⅜¢	"	"	"	"	"

Production for February, 1949, was 45,841 bales — a decrease of 956 bales from January, 1949. Non-Davao balings totaled 30,578 bales — up 3,009 bales from January. Davao balings were 15,263 bales — down 3,965 bales from January.

Tobacco

By the Conde de Churruca
President, Manila Tobacco Association

THE *Tobacco News* for January brings the following information from the United States.

"Cigarette exports for the first 9 months of 1948 totalled 18,176,000,000 pieces valued at $49,252,000, compared with 16,688,000,000 pieces with a valuation of $43,628,000 for the January-September, 1947, period. The increase in shipments may be attributed to growing demand in many foreign countries for American-type blended cigarettes.

"The chief market outlets for United States cigarettes during the first 9 months of 1948 were: the Republic of the Philippines which purchased 8,225,000,000 pieces; Belgium and Luxemburg, 1,405,000,000; Curacao, 884,000,000; Tangier, 715,000,000; and Switzerland, 615,000,000."

We quote these figures because they emphasize the importance of this Republic, a natural tobacco-producing country, as a consumer of imported cigarettes.

We have reason to believe that most of the cigarettes imported are the higher priced brands which are selling at over ₱3.50 per thousand, and consequently do not seriously compete at the moment with the local cigarettes, most of which sell at lower prices.

The average sale of local cigarettes is about 1,440,000,000, a year, as compared to the 10,000,-