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MANILA, P. I.

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No. 6

June
1938

Nineteenth Anniversary Number



Just Little Things
Halfway in 1938

Sewing Machine Business
Do You Think Justly of Us?
Manila's Local Meat Supply
Growing Asiatic Immigration
EDITORIAL: Halfway in 1938

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MINING REVIEW

Kilometer 73
Observation Post
Culled from the News
What the Diggers are Doing
How Things Look to Clifford A. Greenman
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OTHER IMPORTANT FEATURES AND THE
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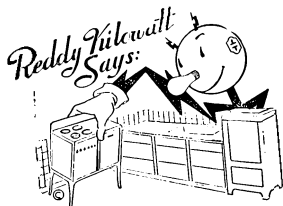
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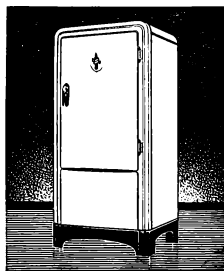
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Miss Winifred Lewis
—An English-forms teacher in
the Bureau of Education.

I want to thank you for the nice little bouquet you handed me on page forty-five of your April issue. The unexpected flow-ers met along the way make the trail pleasant to follow. (Miss Lewis writes occasional verse of more than medium merit).

Jack Poster, jr.
—Of New York World-Telegram,
through the Orient last year as
a roving keen-eyed reporter.

A copy of your magazine came to my desk this afternoon and I have just finished reading your article "Looking Forward Toward Borneo". It was extraordinarily interesting. It is one of the subjects that certainly is not considered very often by Americans thinking about the Philippines. Is there a very considerable group in Manila who have this same point of view as you?

By the way, what is the present feeling about independence in Manila? We get a number of brief dispatches on the subject

but none of them seem to indicate any clear-cut attitude.

Jim and Peg Marshall have just come through New York on their way to London. We spent several evenings together talking about the Philippines and the East, and how tired we got of New York. (It is hoped our "Borneo" views will reach the attention of state department officials whom they should interest. Readers will recognize Jim Marshall as the popular Collier's staff member who writes intelligently and gracefully, often pithily, about the Far East).

Rev. E. K. Higdon
—formerly a well known missionary
in Manila for many years, now heading
Philippines Bureau, New York.

The "Philippines Bureau" is a center in North America for information about the Philippines. We hope to secure a complete current file of all periodical publications which deal in any way with Philippine interests. No such file now exists in this country.

Our budget does not enable us to subscribe for newspapers and magazines. Therefore we look to you for possible aid

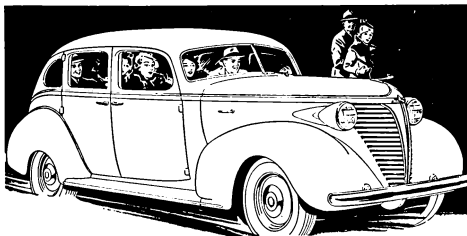


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The Philippines Bureau plans to read, digest and classify for ready reference the news and articles in the various publications. Occasional bulletins and other materials on Philippines affairs will be issued to a rather long list of readers. Our sources, of course, will be credited. We plan to publish at times a list of Philippine periodicals for the use of those interested in keeping abreast of Philippine life and thought.

The Philippines Bureau will also become an information center by making its periodicals and other files available at all times to press, radio, publishing, lecture, commercial, travel, church, educational, medical and other interests.

Mission Boards, churches, educational institutions, philanthropic funds and interested individuals have cooperated in establishing this Bureau. If you are able to give us your valued aid, we shall be very grateful. If you desire, we shall also be glad to keep you informed as to the development of the Bureau's activities.

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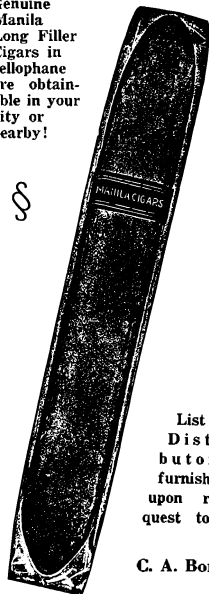
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(Health Bulletin No. 22) Rules and
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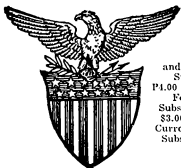
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WALTER ROBB
Editor and Manager



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Just Little Things

Our younger friends and our magazines—the magazine *Esquire* for men is one of the most interesting you can pick up—remind us of the moral cowardice our conservatism in apparel conceals. We are inhibited, that's what. When we bought our first vest, forty years ago, we weren't inhibited yet and that waistcoat was to our real taste. It was mauve, brown-checked mauve if you will believe us, an excellent bit of wool. But we had to discard it after all, because too late we observed that in Oklahoma at that period only gamblers likely to be tinhorns wore vests that contrasted with their coats. Our business was teaching. It is the same with every man our age, when it comes to clothes they just won't go to town; when you see us on the Escotla, our suits are all white drill and we cut them all the same way—it is the utmost of our courage to change over, evenings, to the doublebreasted white coat from the old-time mess jacket.

Our children and their children cultured in an era of color have it all over us in courage about clothes, and the good shops in town enable them to obey that impulse and be nonchalant under all chromatic circumstances. For our children and their children know color when they see it, and have color responses and know how to satisfy them. With us a drab age passes, may we only live to see an evening gathering of folk dressed up where the men are not all clichés in sombre black. Think of the personal discretion that was exercised by the Founding Fathers in this sort of thing. There was personality in every get-up, even in carriages and harness.

Tailors were not tyrants then, men who fought for liberty spurned even the tyranny of the waxen thread and made their tailors tailor them to their own free fancy. Now it has all come back again, and a good thing it has.

You can do wonders at the good shops now, by way of dressing, if you have courage. In one shop we have seen fifteen varying styles in golf shoes all in a single showcase: some white, some white and black, some russet, but most of them brown, and distinguished from one another by other details. Some had the seams outside, some inside; and some had very broad toes, others tended to be pointed; while some were capless, others featured this reinforcement. Anyway, there they were, color and all—a shoe exactly to your character for the asking. It was the same with shirts, personality plus in color, cut, and fabric. And to think we have to stick to white because of our ill luck with that first vest! But probably the suspenders rack roused our imagination really to run riot.



Wide braces, narrow braces, silken and lisle, and besides the first class workmanship, color, color, color. And which braces would we select, please? Well, let's see now—have you anything in white? (We hoped they didn't have white braces, then we were going to screw up our courage and buy what we really wanted, but they had 'em after all).

There was a black pair of braces relieved with rows of diminutive dots in old rose. We liked them. Then there was another pair, black too, with white ladder stripes. We liked them. Then there was a pair pairing

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white with blue, a very chaste white and a very alluring blue if you see what we mean, and this blue was crossed with rows of white stars. We liked these braces too, but inhibition still asserted its thrill and our purchase was the white pair. Such cravenness, no wonder the younger generation takes no stock in ours! Younger men outfit themselves at such a shop every day, and get a real kick out of defending their own taste; it is getting so they have almost as much fun at this business of dressing as femmes themselves do, and nearly as much liberty of choice.

Take even underwear. In our youth it was short and thin of summers, long and thick of winters. But only in winter could you have the one-piece outfit, a concession almost from the pulpit itself, for sake of more warmth; in summer when warmth was not a factor, it was almost in the Book of Common Prayer that your undershirt be one piece, your drawers another. (Many said under-drawers, and you come upon the redundancy yet, though we believe no *over*-drawers were ever claimed to have been made). Well, while we were deciding to buy white braces, in came a younger man in flannels with purple tie—came in too, quite as if he owned the world and could sell it to you all tied up with a purple cord, possibly relieved with yellow. He was returning some underwear he had taken on approval, and he bravely said he didn't like the style. He took some more on approval, his mirror would tell him what to do about it.



And there you are, taste even down to underwear! There you have the psychic of an age in which 40,000 persons a year die, in motor accidents in America alone, besides all the many thousands that are injured and mugged up. Think if it happened to you, and your trousers were torn and there for the gaze of vulgar onlookers and the hospital crew picking you up was your plain cotton underwear! Would your face be red? A younger-generation face, yes. But our blushes would be for any underwear that was not very plain and very white. After our courageous friend had gone out with a selection of a spiderweb gray undershirt paired with some bullion-yellow drawers, we quietly eased over to the underwear counter and whispered for some whites, a furtiveness that clung to us until we had the package safe home. Thank goodness and perhaps Hollywood for a generation that is as conscious of color as it is unconscious of prudery. It should really get somewhere when all of us oldsters die off and leave empty the executive desks where our performance has been as questionable as our taste, and more so our courage, in what the well dressed man should wear.

● In the dark victorian age that spanned our youth, you got the facts of life from the Institute of the Hired Man whose soiled groves lay back of the barn, or maybe you got them in barracks. Souls were recognized Sundays and prayermeeting nights. Little was known about them (is more known now?), but they did require periodical saving at Revival Meeting, a process by no means infallible during intervening periods when the eloquence of the revivalist had ridden away on a mustang. Despite all this however, we have come to the point where we could be brave in a bathing suit—if we could swim and had excuse for it—and what riots of cut and color are these enticing raiments. But shorts, for example, that we should all wear. Though here too you have wild chances of expressing your personality, we never can. We are conscious of our knees. In our adolescence, when you were about 10 years old and could keep up your older brother's pants when they were cut down for you, you grew out of knees—it was never manly to show them again, and the inhibition somehow sticks. Then socks. If not for inhibitions, what couldn't we do with today's socks. But we are conscious of our ankles, so the blaze of color in the socks display must be foregone, we limit our choice to white wool socks. White! Forever white! White and its purity, nonsense! White and its cowardice, we say! White and its white liveredness!

You see, when we were young the body was not a

very clean proposition. You never mentioned it as such, and you only dealt with it hygienically Saturday nights: *body* was not a polite word and where men and women and girls and boys were together it was never used. It gets out of men's clothes into women's to say it, but this bashful obsession about the body—legs and arms were limbs in those sallow days, and boys believed girls shed their feet when they let down their skirts—but those Coney Island bathing suits of the nineties with bloomers below the knees, arms beyond the elbows, and the blouse well down over the bloomers' more essential half, were not a concession to style. Girls felt they had to dress that way, which indeed was a very bold way, because the body was not quite nice and should ever be covered from view.



Such was the generation that produced the World War and the Versailles treaty, and now flounders along producing endless chains of depressions by way of efficiency. At bottom, it was a generation too conscious of its deficiencies even to clothe itself as its judgment willed. Could any generation be worse, or do worse? Believe it or not, the better dressed generations coming on, our children and their children, are better generations in fact, *yea de facto* and *de jure*. Thanks for the white underwear.

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Halfway in 1938

● Sugar prices low while tonnage moved is high; spending the tax surplus offsets lowered market returns.

The Philippines are hard hit in the commodity markets that absorb the bulk of their surplus products. From the current report of the American trade commissioner at Manila it appears that during the first quarter of last year Manila hemp exports were invoiced at P12,598,499 and in the same quarter this year at P5,723,693, the difference being nearly P7,000,000. Manila hemp is the commonwealth's basic crop second to sugar. It enjoys a worldwide demand. Sugar sells only in the United States, under preferential terms, and this biggest money crop of the commonwealth sells currently in New York at hardly more than production cost.

Sugar exports moved to market early this year, the hunch, a correct one, being that the market would sag. This made export totals high for the first quarter, but the satisfaction it entailed was comparative only. The commonwealth's quota in the American sugar market is about a million short tons a year. It will continue to be filled year by year, hence all the advantages of employment in the industry will continue little changed, but planters' and mills' net incomes and the luxury trade rising from their demands will be limited by the low market; and according to our best information, they will therefore be limited for a long time. Secretary Henry Wallace of Agriculture in Roosevelt's cabinet is a free trader in principle (and so is Cordell Hull of the state department), the influence of the administration will be to keep sugar normally low and not to be too tender toward domestic sugar appeals for a better market.

The value of sugar invoiced for export during the first quarter of last year from the commonwealth was P38,239,291, as against P41,089,756 in the same period this year, but a much heavier tonnage is involved in this year's figures as compared with last year's. At the end of May this year, practically the whole year's quota had been shipped. Sugar is encountering bad market weather, with the season ahead quite unpromising. Commonwealth sugar will have to take up its belt a notch or two.

The commissioner says March exports rose 42% over February's and 19% over March's last year. This was sugar, and partly a revival of buying in Japan (of other commodities) so that no reliable forecast can tell how long it will last. Eighty-one per cent of March's exports went to the United States. Japan's purchases upped 200% from February, were still 3% below March's last year: "in the first quarter of this year they were 27% behind last year and made up only 5.7% of total exports compared with 7.4% in 1937." Japan's delinquency as a buyer from the commonwealth will continue during the *affaire Chiang Kai-Shek*, a tempting lottery if lotteries tempt you much.

Some men who see things in Japan surmise that money is tight there. Some ship captains say they have seen ships dock at Japan and not unload, payment for their cargoes not being forthcoming.

Happily, the United States buys four-fifths of all the surplus the commonwealth has to sell, measured in values, and always at fair prices if not high ones. It would be a sorry trade to look to other markets; this will be even truer when Lord Halifax succeeds in giving back to Germany her prewar colonies, for then all Europe will be *buying empire* and interested here mainly in clambering over the tariff wall with goods to sell and running

freighters to and from the Islands on gold collecting errands. Commonwealth commerce is not heavily depressed by the recession in the United States and the low commodity market, because tax returns from Washington are an offset that will outlast the fiscal-calendar year. There is always the possibility that within that time Wallace's wizardry will work and markets will rise: sugar as already analyzed, a moderating exception.

During the first quarter of this year export invoices summed P73,683,269 as against P77,881,728 in the first quarter last year. This shows that quantity frequently makes up what price takes off. The people, their own masters, are under the necessity to produce, and so under all circumstances, while a nationwide transportation system constantly and rapidly improving and extending brings more and more families in practical touch with cash markets.

EXPORTS, DETAILED STATEMENT OF, SHOWING COUNTRIES OF DESTINATIONS, QUANTITIES, AND VALUE OF DOMESTIC MERCHANDISE

Articles and Countries of Destination	YEAR 1937		YEAR 1938	
	Quantity	Value	Quantity	Value
ABACA	Kilos		Kilos	
United States	40,674,525	P15,702,086	37,841,368	P16,673,421
Great Britain	46,859,165	11,350,747	40,223,841	7,538,139
Belgium	4,913,023	1,184,908	4,676,222	946,763
Germany	4,961,282	1,378,502	3,694,008	842,896
Japan	45,080,382	9,829,413	53,139,402	8,489,850
Other Countries	22,305,941	5,834,717	22,549,227	4,630,528
Total	168,339,538	P43,279,373	167,124,218	P34,177,197
COPRA				
United States	46,297,953	P2,837,601	51,755,900	P2,068,494
Denmark	17,668,170	844,617	23,827,681	663,889
Germany	24,918,012	1,183,645	20,410,650	631,467
Sweden	14,082,563	694,208	2,917,061	84,041
Netherlands	2,489,200	114,372	5,325,900	178,486
Other Countries	5,083,643	116,720	4,942,353	132,502
Total	110,528,941	P5,800,358	108,267,545	P3,669,979
COCONUT OIL				
United States	160,292,461	P40,342,461	150,203,888	P26,273,827
Germany	1,021,086	290,880	1,079,069	167,766
Canada	786,676	124,483	3,335,015	552,213
China	260,045	60,078	328,267	70,893
British E. Indies	226,045	67,054	159,008	40,186
Siam	74,018	17,656	31,670	11,990
Other Countries	98,132	24,190	3,028,464	471,722
Total	162,767,818	P40,926,802	158,939,371	P27,677,762
SUGAR				
United States	860,097,653	P15,221,047	809,615,427	P12,854,267
Hawaii	1,820	286	2,900	260
Guam	314,672	40,856	534,079	9,610
Hongkong	2,718,786	150,204	1,661	10,507
Total	871,404,310	P15,412,387	809,836,267	P12,874,644
CIGARS	Number		Number	
United States	185,723,185	P5,537,466	163,413,228	P4,056,994
Great Britain	1,327,310	45,297	1,189,380	38,441
France	2,846,646	62,498	2,161,500	27,683
Italy	1,359,580	24,160	2,500	104
China	5,693,486	199,074	5,529,745	217,374
Hongkong	23,615	70,749	615,901	46,468
Japan	237,264	14,308	354,230	19,724
Other Countries	6,897,709	215,185	5,808,450	185,890
Total	204,618,993	P6,144,719	178,334,078	P5,492,653
LEAF TOBACCO	Kilos		Kilos	
United States	35,518	P20,110	26,061	P12,543
Great Britain	2,750	3,000	1,191	1,721
France	172,712	60,812	1,617,370	359,749
Italy	4,572,249	1,228,256	1,045,948	402,287
Hongkong	216,850	70,749	197,867	55,469
China	133,889	30,841	127,575	46,683
Japan	1,012,308	426,520	623,437	247,698
Other Countries	1,831,505	638,414	9,765,223	3,496,536
Total	8,075,799	P2,485,763	14,442,474	P4,532,696

Sewing Machine Business

Business as carried on by the Singer Sewing Machine company in this commonwealth is an illuminating study in sociology as well as in economics. The Philippine agency of the Singer company is one of its largest, perhaps its very largest, in volume of business done year after year. In India, of course, a very large country, there are a number of agencies—none surpassing or equaling the Philippine agency. This is the rule throughout the world, since the Singer company's activities are coextensive with the world. In no single country of South America, for example, or in Mexico whose population parts that of this commonwealth, does a Singer agency do the volume of business the Singer agency does here.

Average imports into this commonwealth are 8,354 machines a year, covering the period of four years ending with 1936. Last year was an extraordinary one, new mining activities and communities creating many new payrolls and commodity prices averaging high; and therefore, whatever may have been the imports, sales were unusually high, while this year commodity prices are low, mining payrolls are lower than during 1937, or have been folded up altogether, and the sewing machine business is back at its normal pace. That is to say, 1938 so far is a good year for Singer—the typical story.

More than 95% of the business is with poor families, the little industrial business done is chiefly in the Manila district. The company has dotted the commonwealth with 368 stores, each identified by the Singer sign and each a headquarters for agents. The most northern of these stores is in Aparri, the most southern in Jolo; stores are many in central and southeastern Luzon and the Bisayas, and more scattered and not far from the coast in Mindanao. In Palawan and Mindoro, where malaria reigns, stores are very few.

The most popular sewing machine in the commonwealth is a standard household machine retailing on the lease plan at P185, \$92.50. On such a sale the company delivers the machine on payment of P10, \$5. The contract calls for monthly payments of P5, \$2.50. Contracts (still in Spanish, though the company believes English would now be better) are brief and clear, on a single sheet of paper, all on one side. Purchasers have someone else sign with them, usually a relative. A husband signs with his wife, a sister signs with a sister, a mother signs with her daughter, or a daughter with her mother.

That completes the formalities, and the machine goes possibly a hundred kilometers away from the store that sells it. Just where it is to go is in the agreement, and if it is moved to another point before all payments are made it is agreed that the company will be notified. The claim is limited to the machine itself, *no other col-*

lateral stands behind the peasants' word. Losses are nil, the lowest in the world not excepting the United States, and repossessions immaterial.

Two factors count in this. First, in nearly every case the machine is of some economic advantage to the family that buys it. Second, commonly an elder member of the family makes the purchase, and Filipinos who venerate their elders also venerate their elders' possessions. Death of the purchaser therefore makes no difference, the living comply with the agreement and it is unnecessary to write out a new one. Ownership of a sewing machine also elevates a village family socially, therefore its members make every effort to keep it and the ordinary vicissitudes of such effort never reach the company's attention in any way.

Challenging to the imagination are the implications of the fact that elders' debts among Philippine peasants are assumed by their juniors. This is native in Malayan culture, as it prevails here, and is a great point of honor.

The nominal buyer of a machine is not, of course, the one who always pays for it. Signing the agreement is indeed usually a mere fiduciary service to the family executed by two of its members. The agreement in fact involves the entire family, from its members' viewpoint, and that legally it can not go so far is a point of no consequence whatever. (The peasants of the commonwealth live by their own ancient laws, and regard statute laws that folk make in Manila and write into books only as they must. In all matters of contract, it is best to go by the people's own laws).

For illustration of this paper by specific example we traced the history of a sewing machine in the family of a clerk whose pay is P100 a month. He has an aunt, who is mute, who thought she might make herself more useful if she had a sewing machine. It was talked over, accordingly she bought a machine and someone signed with her for it. She made some of the payments herself, the clerk's mother made some for her, and other members of the family made some. The aunt now makes the clerk's shirts, he buying the material—also dresses for his children and things for his wife. There is of course no charge, but if you think to send Auntie rice once in a while, or a chicken for Sunday dinner, this is what you should do. When we asked what would have happened if when a hundred pesos was still owed on the machine the clerk's aunt had died, he said the payments would have been made by the one who inherited the machine—the one to whom the aunt gave it.

"They would not only pay for it," he said, "they would keep it always, and have much pride in it too, in memory of her. *That is what we do, sir, that is our way.*" The Singer company began operating in the Philippines in 1872 but had no extensive business here until the

(Please turn to page 13)

● Juan and Maria may be the signers for a machine, but whole families share the obligation: a profound lesson.



Do You Think Justly of Us?

● Below are listed a few of the reasons why men of worldwide business experience rate this commonwealth tops.

Halfway in 1938 is a subject at which we may pause to try to bring to the consciousness of the commercial world a view of this commonwealth more just to its deserts than the view, mostly sheer ignorance, commonly prevailing. Without research, not wishing to write a book on the subject, we proceed at random. First, personal liberty is highly prized in the Philippines and is practically unhampered. Every newcomer arrives with whatever impedimenta he chooses to bring along; boldly, for instance, he steps ashore with his camera, that needs no registering or police permit, and other such personal belongings save firearms.

There is a national tradition of hospitality to the stranger, the commonwealth citizen takes pride in upholding it.

If goods are brought along, stow them in bond with the customs until, when sold by sample, you release them to purchasers. If they are foreign goods, be aware that the commonwealth tariff is one of the lowest barriers to actual free trade existing anywhere. If they are from the United States, American goods directly shipped, don't bother to stow them in bond; this is American territory and trade with the homeland is on the free federal basis prevailing among the states themselves.

Have no qualms about climate, you will find it admirable; nor about mysterious maladies peculiar to the tropics, for they are absent and (as Dr. Victor G. Heiser, the man who organized the drive against them, says in his *Odyssey*) you have come to a land where rheumatism, arthritis and similarly really dangerous ailments for mature people, some of them winter diseases, count for but little. Asiatic epidemics will not assail you, because the United States public health service is unsleeping and tireless and will not admit them. If you have wife and children, by all means bring them along and seize the opportunity for the children to learn their modern languages.

Expect no high taxes, you will not find them. When you earn net more than \$2,000 a year excluding liberal exemptions, income tax will begin at 3%; when your individual net income rises as high as \$1,100,001 a year the rate will be 39% (compared to England's base of 27-1/2%). Want to go that high? Well, go to it then—opportunities abound, and some of the boys have actually made it. Corporation income is taxed 6%, may reach 10% this year. Compare with rates elsewhere, and be happy. Little, very little, goes to the serving of the public debt—because there is practically no such debt to service. Most revenue goes directly into services broadening and bettering your market: schools, railways, public corporations trying to found new indus-

tries, roads and bridges, and the new universal military training and the army—a small affair considered necessary for national defense and decided upon reluctantly, under pressure of outside circumstances beyond the commonwealth's control.

Let's go back a bit to debt. Finland, an honest country (the commonwealth's population is five times Finland's, by the way), has a just fame in the newspapers for paying her debt to the United States. Give this commonwealth its due, on the same grounds; it borrowed, from the United States, too, of course, for about the same purpose: better implementation of its economics. And it has regularly repaid, sometimes in advance of due dates, and now has a superavit in its sinking fund. The Philippines was doing this long before Finland began doing it—in fact, long before the Finnish debt began. But while the homeside newspapers give Finland columns of praise, fully justified, every time she makes a debt remittance, when this commonwealth does the same thing it doesn't rate a stick of public notice. Be just to this commonwealth, it's niggardly to do business with a country and not meet its good deportment halfway.



You are safe here, either in the cities or the farthest most isolated provincial points. A constabulary service blankets the archipelago, while the attitude of the people is one of spontaneous friendship. Nor will minor exceptions to general experience abrogate the rule. The national character is inquisitive and eclectic, mightily attractive.

There are assaults and killings, but for personal affronts such as insults in public places or crossings in romance; they are among the people, who settle such offenses in the direct old biblical way instead of parading loss of face in courts of public justice.

There is of course one precaution to be observed: sow no gratuitous insults, this is a commonwealth and its citizens comprise an old proud race—the only one that ever mastered the Pacific prior to the 16th century, which it did with fleets of dugouts!

Bring here such money as you choose to bring, it will be secure in any of the banks; and what is more important, when you wish to ship it away, go right ahead—a dollar will cost you two pesos plus nominal exchange and you can export on these terms as much money as you can lay lawful hand on. Now tell us frankly, isn't such a country not only somewhat rare in the world today, but, in probability, a first rate one in which to do business or experiment in industry? If you think so, then for heaven's sake pass the word along. And try your luck yourself.

—W. R.



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when commodity markets rise, or when peace comes in China and Japan goes back to work.

The table shows the banks to be full of money, and either credit is curtailed as compared with last year or demands for money have declined. The standard bank interest rate of 8% on loans and overdrafts will not yield as long as the tax on deposits remains in force. The government's position is contradictory on this point; on the one hand it wants lower interest rates, on the other it stands in the way of them. If business came to a crisis, the government should take this tax out of the way.

Since the data in the table were first published by the government, later data show a considerable decline of circulation. Maybe the current balance of trade is not so good—fewer pesos wanted for buying exports, more dollars wanted for buying imports—but the trend may be temporary. A year ago in mid April, bank deposits summed P228,518,563 and this year at the same period \$230,518,563, up 2 million. But bank payments for use of money have greatly changed during this period, very little is paid on deposits now, so it is evident that money is not now used as actively as it was a year ago.

Maybe this is as it should be. A year ago, money was being used actively in mining stock speculations—people were losing it right and left. They may now prefer to leave it banked, even for nothing more than safety. Anyway, loans as compared with last year are down 3 millions, and one cause for this must be banks' reluctance to accept mining shares as collateral. Cats and dogs of mongrel breeds could be hocked last year, but what the stock is and what dividend it normally pays makes a difference this year. Probably you can get a legitimate business loan easier now than you might have a year ago. The banks are not coining money, exactly; on the other hand, they have a cold-eyed desire for paper soundly secured.

There is considerable cutting up about releasing the P113,000,000 from Washington derived from the coconut oil excise tax. If this halts public works on a big scale, it's a bad time to do so and the business of the country will feel it keenly. The whole situation is in hands of theorists, some of them gloomy perennially about the country's probity and economic capacity. For President Quezon, this should make a nice little inside fight whichever way it turns out. It is also certain that in the end, when wounds have to be bound up, nobody will be to blame.

If Washington thinks hard times are coming on here, and therefore believes the treasury here should be kept running over while its own is flat, it can bottle this revenue up and bring on hard times. Then it can say, it was right all the time. Barring such pedantry, the business year will be fairly good—may even be very good indeed. For the time being, President Quezon has can-

(Please turn to page 11)

HALFWAY IN 1938

Business is sketchy but on the whole quite good. If anyone said the Commonwealth is suffering a depression or a recession, he would be laughed out of court. Yet business is obviously moderated by current American conditions, commodity prices being low. Business is affected by the China campaigns, too; while the Chinese boycott of Japanese goods benefits American imports very materially, that Japan buys so little Manila hemp and lesser supplies of Philippine logs curtails sales of textiles and staple tinned goods. Business will improve

Combined Data from All Banks in the Commonwealth: Mid-April

Item	1932	1937	1938
Total loans, discounts and overdrafts	P112,478,119	P182,223,075	P185,384,203
Total investments	44,967,964	59,474,927	54,630,920
Total cash on hand	13,920,826	41,286,559	63,751,593
Total demand deposits	49,454,078	120,857,918	118,100,702
Total savings deposits	(no report)	50,321,112	54,416,033
Total time deposits	68,119,766	57,806,861	58,001,828
Total capital of domestic banks	(no report)	24,663,300	24,663,300
Total surplus, reserves, and undivided profits	(no report)	34,692,284	26,199,997

JAMES M. ROBB

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Manila's Local Meat Supply



Science and invention have pooled their efforts during more than ten years in the Philippines, to better Manila's local meat supply. The invention part of this is the electric refrigerator, many stalls in the city markets have provided refrigerators for keeping and displaying their meat. The old days are quite gone, now the fresh clean meat is well exhibited and much as it should be. The science part is a longer more discursive story. It

runs from the College of Agriculture through many of the public schools to hundreds of families as far north as Ilokos, as far south as Tayabas and Batangas, raising porkers for Manila.

Science in cattle raising leaves Luzon and extends all over the archipelago. It is not limited to breeding, either, but grasses are introduced and put under experimentation in hope of seeding pasturage that will add weight and fat to grazing steers. The quest is only measurably successful, but the point where good beef is produced has been reached.

Then too, science is in charge at the slaughterhouse on calle Azcarraga. Every carcass is inspected, and the City sends the rejected ones to its crematory to be destroyed. They are not even sold to soapers, as they once were, the City will not take the risk that turning them over to a contractor involves. Bad meat is burned up, that's all there is to it, and the owner of it loses all, escaping only the payment of the killing fee.

But the slaughterhouse, at time of writing (May 18) is in a bad way. It should be painted. Its copings should all be repaired, also its floor of granite blocks and its drains. The masonry at the bases of the structural beams should be repaired and made to standard size. The offices should be repaired and painted. Sanitary provisions should be provided for personnel. Neighboring streets should be asphalted, and an adjustable chute should be provided for the unloading of hogs from trucks. In our knowledge extending over 20 years the slaughterhouse has never been more run-down than it is today. This reflects on others than on Superintendent Manuel A. Aguila, who keeps the place clean and, as nearly as may be, odorless. But the physical condition of the plant is disgraceful, an imposition on all employees concerned with it and on livestock men who have to patronize it.

Manila's annual consumption of local meat varies little from year to year. It was 12,248,459 kilos in 1935,

12,401,625 kilos in 1936, and 12,407,467 kilos last year—rather a remarkable comparison that shows a prevalence of hard times among the city's masses because the population is growing very materially. This deduction can't be conclusive however until checked with the consumption of fish, fresh and tinned and salted, since fish is the public's favorite meat.

The average year's kill at the slaughterhouse is 183,462 animals: 138,957 hogs, 31,865 cattle, and 12,640 carabaos whose meat is darker, coarser, and stronger than beef. The total average dressed weight of all these animals is 11,772,160 kilos. Carabaos dress an average of 142.66 kilos, cattle 116 kilos, hogs 43.33 kilos. *(Please turn to page 13)*

Halfway In... *(Continued from page 10)*

celled release of more than 20 millions of public works, funds while the argument goes ceaselessly and remorselessly on, behind curtains. There are two schools, of course. One says, nurse 'em along; the other, burn 'em with experience—every tub on its own bottom. The country is so remarkably productive that over long periods it makes small difference which view prevails.

SPRING STEEL

The Commonwealth's economy rests on spring steel. It can never be long depressed, since it springs back to the common norm. Nor can it be much expanded, for long, since from this extreme too it inevitably recoils. Since no one has ever taken the pains to describe this basic phenomenon of Philippine life, now is a good time for it. It is the peasants, cotters and cottagers, cotters if tenants, cottagers if independent on their own holdings. They are the bulk of the people, proud of their honest traditions, living by customs of their own and shunning all else with prudent instinct. All they reach out for is education. When they can sell their surplus, it is well; when they can't make shift to do this, they still live.

Always they live by the traditional standard. With more wealth they add something to their clothes, travel about a bit, etc., but their house and food remain what they were. They are consistently busy, without over working themselves, and they are never extravagant. This describes with considerable accuracy fifteen million Filipinos, if not more, and perhaps it should be added that the rule of elder authority prevails. This explains why extreme booms and depressions are absent from the country's economic history. They have no place in the people's economy. While the people adhere to these virtues ways, fear not. Nothing drastic will happen. —W. R.

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MANILA HOTEL

(Aristocrat of the Orient)

A Step Toward Self Sufficiency--Eggs



When the poorest cottagers in the provinces offer you hospitality, as in this Commonwealth they invariably do on the slightest hint, one dish you are sure of having set before you is eggs. This has always been true, with the eggs in such instances usually fresh, yet it is only in the past few years that here in town (and in other port cities such as Iloilo and Cebu) have many of the eggs sold at the markets come from the provinces.

Therefore the market egg and that at the grocery came from China and were strong of taste and odor and never fresh. As late as 1930 the Islands sent China a million dollars gold, for eggs on which the duty was \$50,000.

Two things have changed all this, better poultry flocks and better means of reaching the city markets. Fast steamships now enable Cebu to help supply Manila's markets with eggs and chickens, and chickens have therefore become a considerable Cebu provincial industry. Busses and faster trains from the provinces of Luzon render the peasants a similar service, getting chickens to Manila comfortably and bringing in the eggs thoroughly fresh. So the picture has altogether changed from what it was ten years ago, and now the Islands do not send China as much as \$125,000 a year for eggs.

Chicken breeding at the Alabang Stock Farm of the Bureau of Agriculture has also popularized imported breeds of chickens, led by white leghorns and cantonese, and a new breed or two have been evolved in the Islands. Chicken breeding is given the attention it deserves at the College of Agriculture at Los Baños, but perhaps as great a factor as any other is the chicken raising classes in the public schools. A constant stimulant has been the annual Philippine Exposition (carnival) at Manila. Here both patented and homemade equipment for hatching, brooding and feeding chicks has won the peasants' attention, and countless publications on the feeding and care of chickens have been freely distributed—a work of the government.

So at last the Commonwealth supplies itself its own eggs with exception of a small supply of bakers eggs still coming from China. Consumption of eggs has mounted accordingly, the customer at any good eating place down to the restaurant serving a 60-centavo lunch is always sure of fresh wholesome eggs and goes in for them more and more.

Housewives who enjoy going to market are pleased with the honest arrangements about eggs. The market women classify them by size, the provinces they come from, and their freshness; and as you buy every egg counted into your sack is candled before your eyes, with the privilege reserved to you of claiming replacements if any should prove stale. This egg selling is one particular thing in which Manila's public markets are far advanced.

Supplementing provincial supplies are numerous chicken farms in the nearest environments of town, San Juan del Monte, San Francisco del Monte, San Felipe Neri, Pasay, and Santa Ana as well as Mandaluyong. Proprietors here who commonly breed American chickens

and bring feed for them from California, to go with what is best here, supply clubs, hotels, apartments and such special customers large fresh eggs of which the most squeamish patrons could not complain. It is rapid transportation that enables this to happen in the tropics. The farms have refrigerators where the eggs are chilled as soon as they are gathered, and they reach you in dozen lot cartons proudly bearing the farm name.

Sewing Machine . . .

(Continued from page 8)

American period began. The *character credit* that now underlies nearly all its transactions, as this paper has described, has been worked out through forty years of prosperous experience. There is no gamble in it, either—the company knows it will be paid: the only discount for cash in lieu of P5 payments a month is 20%. These remarks apply to one of the largest businesses in the commonwealth, carried on with its poorest citizens.

Manila's Local . . .

(Continued from page 11)

tions year to year in these average weights are negligible.

Besides these animals (carabaos, cattle, and hogs) a few sheep and goats are slaughtered, and some 12,000 suckling pigs

whose fate is to be roasted on the spit either at the markets or for home parties, and picnics, never complete if roast suckling pig is absent, the Islands' *lechon*, probably as productive of chronic and acute gastric maladies as any single factor in the popular diet. No one should ever dare eat reddish pork, though suckling pig it may be, a caution that will be wasted on Filipinos until their health officers and scientists associate the practice with their high mortality rate. Even at the markets where the charcoal fires emit intense even heat, suckling pig is seldom roasted well. But it is eagerly devoured just the same. Gastric maladies, especially of children, come on in June and July and are commonly blamed to the rains where it might be more worthwhile to trace them to their more logical source, May's long festivals and roast suckling pig.

NO PIECES-OF-EIGHT?

When American forces under Major General Wesley Merritt occupied Manila August 13, 1898, Jose Luis Maury was the Islands' general treasurer from whom on August 24 the funds at the treasury were seized. Not taken up as revenue, these funds were held for whatever disposition Congress should wish to make of them. In all this there can be little present interest, but the physical character of some of the items listed is amusing.

Four-peso gold pieces summed \$4,200. Spanish-Filipino and Mexican silver coins summed \$129,632.21. There were 162 sacks of copper coins said to contain \$50 each. These were supplemented by 1,928 boxes of like coins said to contain \$150 each.

Among items at the mint, receipted for to the director, Jose Pereyra y Pereyra, were 30 sacks of Mexican dollars each containing \$1,000, and 29 sacks of half-pesos Gold bars and small pieces of gold summed \$3,806.08. About \$4,000 in three items, bagged, were taken over under receipt at the Ayuntamiento, and almost \$25,000 at the internal revenue office, while the civil governor, Jose Bueren, Juan de Mer, Conde de Gra, and Eugenio Caurino, official paymaster at the governor's office, turned over \$956.02 in fondos locales.

Banknotes were not then in popular circulation. They were of the Banco-Esnañol-Filipino (now the Bank of the Philippine Islands), then the sole bank of issue. Silver was the popular currency, and sacks a common means of carrying it about. Bank notes at the treasury summed less than \$200,000; there were also two checks, summing just over \$170,000.

The tradition that a quantity of quicksilver was found at the mint is apocryphal. There is no record of it, and since the smallest items of what really was found are carefully listed, it simply was not there.

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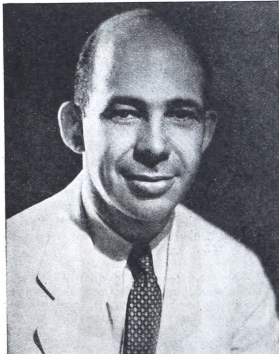
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Young Men Worth Knowing

By J. M. Robb

Editor's Note: Manila is not a static community. While the old cliché that the backbone of any community is its old, solid residents is probably quite true, and is as true of Manila as of any other city, nevertheless this city is fortunate enough

to possess a number of younger business and professional men who are contributing in no small part to its development. Two of these men, *Durrell Morrison* and *S. S. Schier*, we introduce in this issue. Others like them will be introduced to our readers in succeeding issue.



DURRELL MORRISON

When we heard that Gonzalo Puyat & Sons Inc. had opened an Interior Decorating department, we went over with our note book to get a story. We saw Mr. Durrell Morrison, who is to head the new department, and whom they have given a free hand to develop it along lines of similar departments in the States. Mr. Morrison is from Hollywood and we plied him with questions about the Movie Capital and found that he had worked on the interiors of several movie people's homes, including Zazu Pitts, Dolores Costello Barrymore, Walter Wanger, Gene Markey, etc. He also did the Blossom Room of the Roosevelt Hotel, The Terrace

Room of the Hotel Miramar, and the Sunset Towers Apartments.

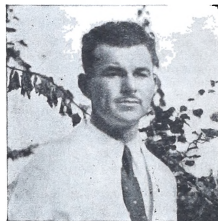
From Mr. Morrison we learned that the large majority of stars' homes are furnished in excellent taste and simplicity, and that many of the stars are connoisseurs of furniture. It shattered our illusions of Hollywood grandeur, as we had the idea that the stars vied with each other in making their castles more gaudy and splendid than the others.

Mr. Morrison says the reason for this is that the lives of the stars are very hectic and they have come to realize that they need a restful environment when they get home from the bustle and rush of the set. They know that they must prepare for the next day's grind and that harmony and simplicity in decoration provide a relaxing, tranquil influence.

We were surprised to learn from Mr. Morrison that interior decoration has become a science. Its application is an art which can be measured in dollars and cents. Large hotels and apartments know that decoration and arrangement are extremely important factors in attracting and keeping guests. They have made studies of the blending of colors, lighting methods, proportions, balance, and designs. And this research has paid them dividends.

Mr. Morrison has had considerable experience in Interior decorating. Before he went into business for himself in Hollywood he was connected with W. & J. Sloane, a firm well known in the decorating field throughout the world. He studied at

Texas University, Otis Art Furniture, Los Angeles Art Center and is a member of the Institute of American Decorators and the Los Angeles Art Association.



S. S. (SAMMY) SCHIER

We have known Sammy for a long time now, and we have never been able to figure out how he finds time to attend to his many and variegated activities. He runs *S. S. Schier & Co.*, an advertising agency with offices in the Araneta Bldg. on the corner of San Vicente and Pinpin. When work begins to slacken up, he sees to his *Yacht Agencies, Co.*, which can deliver you a yacht or motor ship for any price from about \$900.00 up, and any marine gadget to go with it. Just to keep from getting lazy, he puts in about two or three hours a day writing articles and stories about the Philippines for publication here and in the States.

Lest our readers get the impression from all of this that Sammy is one of those terrifically go-getting, hard-driving, and tiresome individuals, we hasten to assure them that he is nothing of the sort. Energy he has, of course, and in abundance, but he doesn't wear it on his sleeve. Although his day is well taken up, he seems always to have time to dally in conversation with anyone.

A firm believer in the adage that "all work and no play," etc., Sam is an ardent
(Please turn to page 16)

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Hong Kong is Anglo-Saxon, Macao is Latin—Both Are Chinese

By Walter Robb

Since all Philippine cities were founded as Catholic mission and are hardly more different from one another than peas, it is beguiling to a Manila to take a voyage up the China coast as far as Shanghai and remark the differences between Shanghai, Macao, and Hong Kong.

He comes upon Hong Kong first, the tradesmen's entrance to China, decked out in commendable blocks and streets solidly built along the harbor and over the mountains, and at night blazing with lights whose brilliance is sheer deception.

You would swear there was gayety and urban abandon back of these lights. But there isn't; there are only clerks, with their families, reading and smoking and preparing for early bedtime. A day's work is ahead, thank goodness; downtown at 9 and back up topside at 4, or even at 5, should you stop by the Gloucester Lounge for a spot.

Tennis, of course, and squash and badminton, a deal of walking and of course the races . . . it is up to a man to keep fit. No, the routine British life goes on behind those flashing lights of Hong Kong—not a bit what such lights against an Oriental sky should proclaim.

Chinese Laugh More.

In Hong Kong, where there are Chinese, there are chatter and jocularly along with incessant industry; swift and skillful movement of craftsmen at their tasks, or of coolies, unskilled men, at work. The color of the place is limited to this. By 1 o'clock in the morning even the ferries to Kowloon have stopped running. Your quest for adventure has been vain, and you must rent a sailboat to take you back to your hotel.

Next day what you do discover in Hong Kong is the first-rate shops—trafficking in British goods. All the woolsens of every sort you need, get them here. All the time there are hundreds of travelers in Hong Kong finding enjoyment merely in shopping. In the good hotels are good meals and beverages. The subtlety of silver values is behind this, a mercantile alchemy that touches the little gold you carry into veritable fortune.

For the week end you get to Macao, the old-time tradesmen's entrance into China that Hong Kong made useless. It is only 40 miles from Hong Kong, but most Hong Kong folk have never been there—they discourage you from going to Macao, assuring you it will bore you.

Macao Is on the Loose.

Far from it! Macao, who, since she can't trade, must be on the loose, is the end-product of Christian effort in the Orient and could bore no one. As your boat labors to the dock the silhouettes lined up in the darkness ashore make you shudder with excitement. The shadows descend upon you as soon as you reach the street; every wickedness is offered you at once. You shake off the shadows, clamber into a rickshaw and have a patrolman note his number. It is worth your life, you think, that these hard-boiled policemen are about, and that their authority seems to be respected.

This Macao, that seems to be all underworld, blazes like Hong Kong with lights, but the lure of Macao's lights means what it says. You are free to do anything in Macao, where the public opium factory distills its product for your own pleasure. (Yet you find that the Portuguese, Macao being a Portuguese colony, live out their lives in Macao without ever visiting this factory or beholding Chinese smoke opium. Even in the case of the Portuguese, there is what this difference between what they do and what the Orient does).

Meticulous as to Religion.

Macao taxes opium, taxes feminine amiability, taxes all vice and lets it all run riot; only there must be no crime, no assaults and murders. Tawdry with opium flanking one side, motley indulgence another, stands a church; and Macao, clean and colorful, outwardly immaculate, exploits to the traveler her meticulous attention to religion.

When you stay longer in Macao than three days you should tell the police you are there. No passport is required. Macao shows her discreet politeness in her public



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administration; she asks no questions. But probably her police are equal to any emergency—any, that is, that affects Macao. The interest another jurisdiction may have in you is not Macao's—the ancient right of sanctuary persists here.

You will not, in contrast, be in Hong Kong three hours without presenting yourself to police headquarters, exhibiting your passport, filing an autobiography and leaving a photograph with it.

Hong Kong Fears Air Raids.

Another contrast between Macao and Hong Kong relates to Japan's current campaigns in China. Though Macao is on the mainland and from her customs gate you can drive 80 miles into China and through three cities of considerable size, Macao has practically no trade with China (deepdraft ships can't get into Macao's harbor!), and Macao feels no anxiety that Japan will attack her. But, though Hong Kong is on an island and is British territory (only her suburb Kowloon is on the mainland), Hong Kong exists upon her entrepot commerce with China and lives in hourly ap-

prehension of bombing raids by the Japanese.

Macao, without a newspaper—though they do say there is one that comes out once a week—hardly knows that China and Japan are at war. Hong Kong, 40 miles away, thinks of nothing else and scans the extra editions while she sips her tea—because there is so much special work at the office with the goods that must be got to Canton and slipped up the way to Hankow.

When you leave Hong Kong and reach Shanghai again all is different. You feel here: "What on earth is done about children?" Older folk manage what passes for adult enjoyment, but the parks and provisions for the normal life of children you never come upon.

However, Shanghai is in ruins— you will not judge her now. But you know at once that she is not like Hong Kong or Macao. And of the three cities, which is most like your home city of Manila? The jolliest, the gaudiest and the oldest—old Macao!

Men Worth . . .

(Continued from page 14)

yachtsman during his off hours. At this time of the year, Saturday afternoons and Sundays will find him out on the waters of Manila Bay, enthusiastically racing his "Star" boat in the annual series of the yacht club. He is no stranger to Manila's night spots.

In the Philippines since 1927, Sammy Schier has acquired a considerable fund of information about the Philippines. He adds constantly to this store of knowledge by periodic trips to the hinterland, and puts down what he knows in very readable articles. Many of these have appeared in the Sunday Tribune magazine section, (the last series was on the Bontoc Igorote tribes) and Schier is sending others to Brown & Bigelow to place for him in the States. An expert amateur photographer, he illustrates these stories with his own photographs.

U. S. FAR EASTERN TRADE

Our data are from the Manila *Tribune* of Sunday, February 6, *United Press* wireless from Washington. Because there has been inquiry for them, we print them:

In 1937 Japan was America's third best customer, America's exports to Japan upped 41% from 1936. Asia for the first time outranked Europe as a supplier to America. Also, exports from the United States to Asia upped to \$579,749,000 from \$398,885,000 during 1936.

Major exports for the two years:

Country	1936	1937
To China	\$ 46,819,000	\$ 49,697,000
To Japan	204,348,000	288,378,000
To Commonwealth	60,350,000	85,031,000

United States imports from Asia during the same years—

Country	1936	1937
From China	\$ 74,232,000	\$103,616,000
From Japan	171,744,000	204,202,000
From Commonwealth	101,679,000	126,207,000

Total American imports from Asia during 1937 summed \$796,541,000 compared to \$707,728,000 during 1936.

In December, America sold Japan goods worth \$16,532,000, compared to \$16,433,000 in December, 1936. She sold China goods worth \$1,787,000 in December, compared to \$4,748,000 in December, 1936.

In December, America bought from China goods worth \$4,992,000 compared to \$4,548,000 in December, 1936. She bought goods worth \$11,839,000 in December from Japan, compared to \$16,451,000 in December, 1936. Summary for 1937—

Country	Exports to U. S.	Imports to U. S.	1937 Total
China	\$103,616,000	\$ 49,697,000	\$154,313,000
Japan	204,202,000	85,031,000	492,589,000
Commonwealth	126,207,000	288,378,000	211,238,000

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MINING REVIEW



AMERICAN CHAMBER

OF COMMERCE JOURNAL



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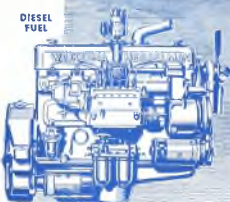
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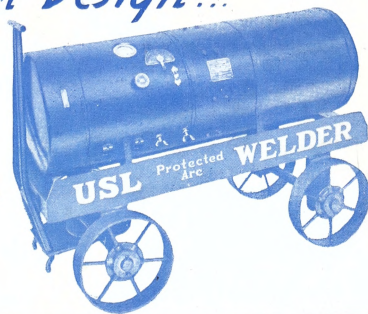


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Kilometer 73

From the Kilometer 73 marker on the road from Baguio to Suyoc, to Macapilid Island in Surigao province is a long jump, but it is not too far to go in search of gold. Not if you find it, that is. This is the jump that the Kilometer 73 company made when they shut down their Baguio development last year, and it looks like they have found enough gold to make the transfer well worth while.

Kilometer 73 was organized in September, 1936, right in the middle of the feverish 1936 boom, and the original intention was to explore and develop lode claims at Kilometer 73. To this end, the company sold some 684 shares of non-par stock, at P500.00 each. Of these shares, P77,500.00 worth were fully paid, and the remainder were disposed of on a 50% down-payment basis. (Total authorized capital is and was 1,440 shares of non-par stock, of which 529 shares are held in the treasury).

Work was immediately started on the claims at Kilometer 73, and was continued until about the middle of last year. Some ore bodies were found, but they were very low grade, and carried no promise of a large tonnage operation. In March of last year, Developments, Inc. was hired to inspect the properties, and reported unfavorably. This report was confirmed by a mining engineer—Mr. G. L. Thompson—brought out from the States. Inasmuch as the company had by then invested about P74,748.42 in prospecting and incidental expenses, it was decided that the claims had best be abandoned. The company carries the Kilometer 73 claims on its balance sheet (as of December 31, 1937) at a nominal figure of P919.60, and buildings at P2,059.05. The P74,748.42 spent on the property is carried as a deferred charge, to be written off gradually over a period of time.

Arrangements were then made with the Lacandola Mining Company whereby Kilometer 73 undertook to explore and develop the former's claims on Masapelid Island, Surigao. G. L. Thompson stayed on as superintendent in charge of this project. Work was commenced on August 29th, 1937, and has proceeded apace. Practically all of the equipment (Diesel-Compressor unit, blacksmith-shop equipment, Assay Office equip-

ment, drill equipment, blower and ventilation pipe, pumps, etc.) was moved down to the island from Kilometer 73. Transportation is by the company's own launch and lighter. Development work so far done seems to indicate a definite possibility that a producing mine will result. We reproduce most of a report of April 13, 1938, of Mr. Thompson to the President and Directors of the company, which tells the story of the property up to that date. The report is believed to be very conservative, in view of more recent reports from the mine.

Encouraged by these results, the company decided to issue a call to subscribers for the balance of their subscriptions. This call, of course, applies only to those subscribers who had paid only 50% of their subscriptions, and asks for payment of the remainder in five installments of P50.00 each, commencing on May 20th, 1938. The call was issued on April 20th, 1938, by the Board of Directors.

Since the report made by Mr. Thompson dated April 13th, 1938, the 600 Winze has been sunk to a depth of ninety-five feet below the drift and drifting on the vein at this level shows good ore to the northeast but is faulted to the southwest by the large fault found on the upper level. The Winze was in good ore for its entire depth and there is good hope that the northeast drift will continue in ore for several hundred feet as the No. 11 Tunnel on the vein 90 feet above this

drift showed a strong vein with some good values almost to the swamp separating this working from Layong.

The Layong Workings show a strong vein with exceptionally high values especially at the drift from the bottom of the 150 foot shaft sunk at this point. A Winze 40 feet deep below this level was sunk on good ore with widths of ten to eleven feet. The shaft is being carried down another one hundred feet with every expectation that the ore will be equally as good as on the second level, in view of the showing in the winze.

About 5,000 feet of underground working has been accomplished to-date and the management believes that in a short time this property will be ready to take its place as a highly successful producer.

MINE FACTORS

Mr. L. J. Harvey, former president of Mine Factors, Inc., left Manila for an indefinite stay in England late last month.

Mr. Harvey's departure was unannounced, and came as a surprise to his friends and associates here. It is thought that Mr. Harvey felt the need of rest and quiet contemplation in the English countryside.

The company has been reorganized since Mr. Harvey's departure, and the JOURNAL wishes to point out that Mine Factors still has as much ore as it had, while Mr. Harvey was here. We wish to remind those who may have read our Mine Factors story of last month, that we did not intimate in that article that the future of this organization depended in any way upon Mr. Harvey's continued presence in the Philippines, or upon the price of the stock upon the local stock exchange.

jr

The Observation Post

By Eric Staight

There are two topics paramount in business and economic circles—gold and taxation. In different ways these two subjects are universally important but there is no question that the United States is in the spotlight.

It is possible to hark back four thousand years in history in the matter of currency manipulation. There is merely a variation in degree and not in principle. Cause and effect are always clearly defined—the former being debt and the latter debasement or inflation. For whatever reason, from wars to plain extravagance, debt has always invoked a tendency to seek the easiest way out, and, where nations have been concerned, effect has only too frequently been the creation of new money out of whole cloth. History redounds in such instances, one of the earliest being the decree of Solon of Athens in 594 B.C. when, specifically in order to reduce all debts by one quarter, that predecessor of modern devaluationists reduced the metallic contents of Athenian coins by twenty-five per cent and decreed that all creditors must accept payment in the new and lighter coins at face value.

As the world progressed, and international commerce increased, the system of banking credits gradually evolved. But here again the difference was only one of degree. Wars, pestilence, unwise spending and other factors periodically took their toll and, through the ages, country after country joined the ranks of the inflators. The lesson was always the same but the years have not changed human nature, and if this be doubted one has only to consider the record in the United States since 1933.

Yet, in one sense, the picture has altered, and that is that no one nation, let alone the richest, can play ducks and drakes with its own monetary structure without vitally affecting the rest of the civilized world. Furthermore, such actions are in the nature of a two-edged sword, for, by the same token, in our present system no one nation can be commercially aloof and independent. The recent price decline in the United States was almost certainly responsible for price declines elsewhere, and now, particularly in commodities, falling prices outside American boundaries are one of the most serious menaces to her internal economic structure.

In the last sixty days we have seen recognition of this fact but there is a difference between recognizing a condition's existence and facing the issue squarely. In previous articles the writer has discussed the artificiality of the American price structure and the basis on which that structure was built but he believes that the time is rapidly approaching, if it has not already arrived, when a vital decision must be made. Sooner or later the functioning of any system, biological or economic, must depend on the free flow of its blood-stream, and in the economic system as it stands today, and has stood for hundreds of years, there is no substitute for gold. Gold is still the standard of value throughout the world and is, in the last analysis, the regulator of the values of paper currencies. The latter are promises to pay by governments and central banks. The further removed they are from gold the less confidence they command. Let there be threats of war or an ebbing of the business tide due to any circumstance and the individual today, whenever permitted, rushes to the acquisition of the mental itself, as he has done through the centuries. That urge is fundamental, for it is inspired by the one universal standard by which it is alone possible to judge the value of this world's goods.

In the early days of the New Deal certain eminent gentlemen built a new theory around this ancient fact. They decided that gold could be successfully relegated to a mere symbol; that its possession, or at least the freedom to possess it by individuals meant less than its existence in large quantities and endeavored to create a new and permanent price level by a stroke of the pen. The fate of this price level has already been decided, and the answer to its collapse is, in a word, lack of confidence. In the background was the constant thought that, should the business tide turn downward again for any reason, the old refuge, gold, was no longer available to the individual. The brakes provided by a free flow of the precious metal had been removed and in their place was an untried and doubtful theory.

The actual amount of gold obtainable with a unit of currency is not as important. The old gold dollar contained 23.22 grains of fine gold; its present content (if

(Please turn to page 26)

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The Stock Market

(May 14th to June 4th 1938)



Those raise-the-price-of-gold rumors again. Latest rise looks more healthy than other fitful spurts, as buyers left highly speculative and non-dividend-paying stocks severely alone this time. Hongkong still doing most of the trading here.

The market moved steadily lower in diminishing volume during the first three weeks of the period under review. A moderate selling wave was touched off during the first week with the removal of pegged prices by the Manila Stock Exchange. Reaction to the lifting of the pegs was calm, although Consolidated Mines, which had been selling for less than half as much on the International as it was pegged at on the Manila Exchange, naturally hit the toboggan on the Manila. The spread which had existed between prices of other stocks on the Manila and on the International likewise narrowed, as was to be expected.

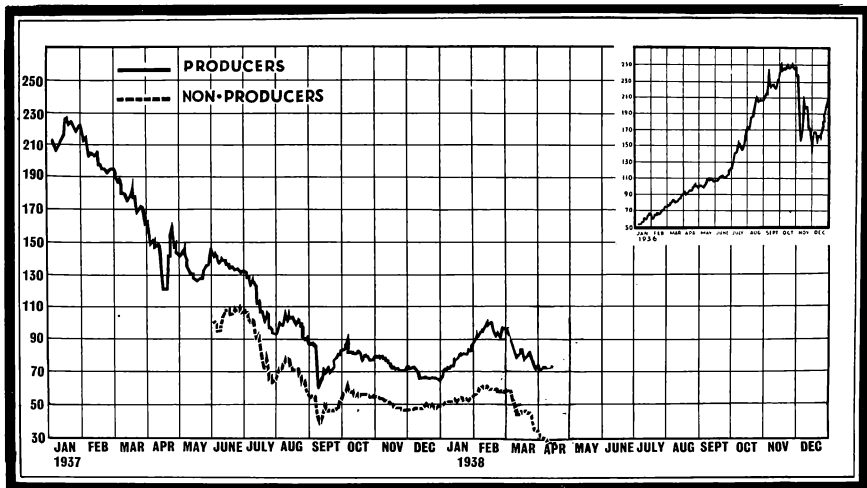
Investment buying was in evidence throughout the period, however. Benguet Consolidated rose gradually from P9.20 to P10.00, as investors were reluctantly forced upward. Announcement of planned increases in daily tonnage of both Balatoc and Benguet of course helped a lot. Some of the buying appeared to be by in-

siders, in anticipation of dividend declarations. This theory is borne out by the fact that dividend announcements in late May and the first days of June were immediately preceded and followed by fairly important selling, in certain stocks.

Brokers have been advising clients that there is little possibility that the new measure increasing the tax on mine production would go through. Highly favorable production figures released by several producers assisted to put the public in an optimistic frame of mind. These things did not, however, entirely account for the upward spurt which set in during the second week in June. This rise was stimulated by an announcement which came over the Manila Stock Exchange ticker one morning that rumors were rife in London that the New Deal would again resort to increasing the gold price, in a desperate

(Please turn to page 27)

Market Graph for 1936, 1937, 1938, prepared exclusively for the Journal by Clifford A. Greenman, Securities Service Corp.





Culled from the News

CONSOLIDATED MINES, INC.: Held its annual stockholders' meeting at the American Chamber of Commerce this month. The meeting lasted about five minutes, during which time the meeting was called to order,

the annual report and balance sheet approved, directors reelected, and a motion for adjournment approved. The directors, *R. P. Flood*, president, *Courtney Whitney*, chairman of the board, *Victoriano Elicaño*, *M. C. Grey* and *B. W. Guysi* will guide the affairs of the company for another year.

Persistent rumors that Consolidated had shut down its Tumbaga plant were emphatically denied by Mr. Flood. He stated that the mill is treating from 50 to 60 tons of ore per day, as it has been doing for some six months past. Mr. Flood also denied rumors that any deal is pending with *Baguio Gold Mining Company*, whereby the latter should take over development of the *Gold River* property. Work has been suspended at *Gold River*, Mr. Flood stated, pending study of a recent geological report.

PARACALE MINING: A 100-ton plant ordered through the *Edward J. Nell Co.* of Manila has arrived from the United States, and has been shipped to the claims at Mambulao. Foundations have been under construction since May 15.

LEPANTO: The San Francisco Mining Exchange announced early this month that it had approved the application of the Lepanto Consolidated Mining Company to list its shares for trading on the San Francisco Exchange. The application covers 10 and 1/2 million shares outstanding.

Lepanto operates a copper project, and our operatives informed us that an advantageous contract is pending for the sale of its ore to Japanese interests.

MINERAL RESOURCES: Continues to have its troubles. Operations were suspended at the mill for 14 days during May. During the early part of the month, the new water supply was not completed, and the mill was down for six days due to lack of water. The drought broke towards the middle of May, according to a statement of *V. E. Lednicky*, consulting engineer of the company,

(Please turn to page 28)



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What the Diggers Are Doing



MINING BOOM CONTINUES: We are in the midst of a mining boom of no mean proportions, figured on a straight mining production basis. Whether or not the current stock market prices reflect this fact accurately, or are still too high, is beside the point. We are speaking now of production.

May operations of 27 gold producers resulted in another all-time high. Excluding *Mindanao Molter Lode, Tambis,* and *Ambassador*, total output was P5,325,217.22, only P4,000.00 under the all-time high of April. The three companies mentioned were unreported as we went to press, but their production figures were sure to boost the total well over the P5,400,000.00 mark.

Total output of gold for the year to date is now well over P25,000,000.00, around P5,000,000.00 more than the same time a year ago. As the year wears on, and new producers keep coming in, gold production figures for the Philippines will reach very respectable figures indeed, as compared with other important producing areas, although, of course, total production is now so high that there will not be any great percentage of increase.

ATOK AND BIG WEDGE: That high grade ore owned by *Big Wedge* and extracted by *Atok* continues to pay and pay and pay. Both of these companies declared dividends this month of 10% each from their respective share of the gray. A study of their balance sheets shows that the dividends will still leave both companies in a strong financial position, even discounting the fact that a part, at least, of *Big Wedge's* assets are in jeopardy as a result of litigation. *Atok* is deliberately conserving its capital, we hear, with a view to possible investment in other properties.

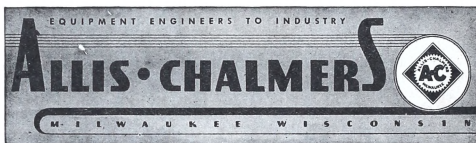
PAN-PHILIPPINES: Has discontinued work on its *Paracale* project, for the time being. All of its energies are now concentrated on *Treasure Island*, and the *Nayak* property of *Quartz Hill*. Payments on the option on the *Paracale* property are being kept up, however, and it is

far from abandoned.

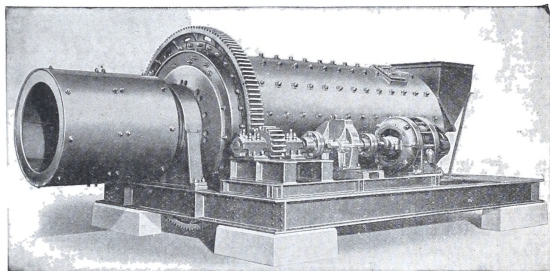
Our operatives inform us that *Pan-Philippines* is heavily interested in *Quartz Hill*, which, in turn, has the operating contract on the *Nayak* claims, *JOUR-*

NAL readers will recall reading a short time ago that it is hoped the *Nayak* properties will support a mill larger than the 25-ton unit originally contemplated. Pe

(Please turn to page 29)



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How Things Look to Clifford A. Greenman

Business enters the second summer of the current major depression facing the certainty of further curtailment in industrial production schedules over the near term. Present indications are that new low levels in aggregate business volumes will be reached during July and August. The mere prospect of a moderate further decline in industrial activity below the low levels of recent months is, however, of less importance from a security market standpoint than the complete absence as yet of any indication of the forces which might be expected to promote a broad upturn later in the year.

All things considered, the stock market has withstood a barrage of generally bad news comparatively well in recent weeks. Prices have merely drifted in the past fortnight in about the same pattern that was traced by the reaction witnessed in the second half of April. The rails are again close to their 1938 lows, but both the in-

dustrials and utilities still have some distance to go before former resistance levels are pierced.

With business news over the next several months likely to provide little encouragement to speculative sentiment, intermittent weakness in stock prices is quite conceivable. Even though we may be passing through the final stages of the depression and of the bear market, no incentive for the assumption of increased speculative risks has yet appeared.

An important effect of the tax law enacted recently is that prime-grade corporate bonds must sell at a greater discount under tax-exempt Government bonds of comparable coupon rates and maturities in order to provide the same yield after taxes. The present discrepancy suggests an ultimate widening of the spread, either through a decline in prices of best-grade corporate issues or a further advance in Governments. This may not take place immedi-

tely—the discrepancy has already persisted for some time—but it is a factor to watch in realigning portfolios of highest quality bonds. The prime bond market as a whole promises to continue stable for some time, since there is no sign as yet of any firming of money rates.

Prospects for medium- and low-grade bond issues have changed little. The discouraging outlook has been reflected in a renewed downtrend of bond prices, following the spurt from the beginning of April to mid-May. The advance had been largely technical in nature, reflecting the feeling that prices of many issues had been driven down to reasonable levels, rather than any signs of a turn-about in business and profits trends.

With even the beginnings of recovery not yet in sign, and some months at least of continuing retrenchment definitely in prospect, final judgment as to which stock groups will offer the greatest potentialities for price appreciation in the next major recovery period must be reserved. The groups in the following tabulations must, therefore, be considered as strictly tentative.

(Please turn to page 30)

TABACALERA VICE PRESIDENTE *Beats them all*



The Winner

MAY 1938 GOLD PRODUCTION

MINE	Authorized Capital	Par Value	Capital Paid to Date	Daily Capacity	Tons Milled on May	May 1938 Gold Production	Recovery per ton	Surplus or Reserve	Last Dividend	Total 1938 Dividend to date	Total Dividend 1937
Ambsador	P1,205,000	P0.10	P 599,266.00	50							
Antamok	3,000,000	0.10	2,750,000.00	750	25,233	379,388.50	15.80	P1,320,350	April 1938	P0.02	P0.02
Baguio Gold	2,000,000	0.10	1,300,000.00	250	9,565	110,755.64	14.81	117,222	Dec. 1937	0.01	---
Balatoc	6,000,000	1.00	6,000,000.00	1,200	37,835	1,084,835.94	28.67	2,192,410	March 1938	0.30	0.30
Benguet Cons.	6,000,000	1.00	6,000,000.00	1,000	31,101	900,805.66	28.96	4,965,954	March 1938	0.30	0.30
Benguet Expl.	1,500,000	.10	500,000.00	100	2,578.1	19,748.08	7.66	17,963	Dec. 1936	0.01	---
Big Wedge	2,000,000	.10	777,404.60	150	4,841	150,223.64	31.03	247,133	Feb. 1938	0.01	0.01
Cal Horr	Own by Benguet Cons.			200	5,202	96,034.98	18.46	---			
Coco Grove	1,500,000	0.10	1,500,000.00	13,000 cu. yds.	336,520 yds	287,665.52	85	---			
Demonstration	1,000,000	0.10	1,000,000.00	300	8,678	156,187.02	18.00	249,358	March 1938	0.01	0.01
East Mindanao	1,000,000	0.10	1,000,000.00	100	3,090	45,862.00	14.89	6,672			
Gold Creek	1,000,000	0.10	700,000.00	Antamok	803	13,886.68	17.29	---	Jan. 1936	0.0075	0.0075
Ipo Gold	1,000,000	0.10	799,794.00	200	5,948	83,328.92	14.01	28,256	March 1938	0.006	0.006
Itoyan	2,000,000	0.10	2,000,000.00	1,000	31,385	356,387.10	11.36	929,433	July 1937	0.0075	---
IXL Mining	1,500,000	0.10	1,500,000.00	250	11,512	285,334.29	24.80	443,560	Jan. 1938	0.03	0.03
Mindanao M. Lode	2,000,000	0.10	2,000,000	200	4,750	114,231.16	---	---			
Masbate Cons.	5,000,000	0.10	5,000,000.00	2,000	84,287	335,520.74	3.98	810,330			
North Mindanao	800,000	0.10	355,220.00	2000 cu. yds.	221 oz.	15,470.00	.78	---			
Paracale Gumaus	500,000	.10	496,000.00	100	2,160	20,089.38	cu. yd.	3.30			
Royal Paracale	2,000,000	0.10	643,800.00	100	3,137.17	19,630.27	6.26	---			
San Mauricio	800,000	0.10	800,000.00	300	9,527	348,433.44	36.57	740,231	Dec. 1936	0.04	---
Santa Rosa	1,500,000	.01	1,000,000.00	---	6,000	90,000.00	15.00	---			
Surigao Cons.	1,200,000	0.10	984,334.00	---	2,080	68,607.00	14.94	---			
Suyoc Cons.	1,250,000	0.10	1,250,000.00	350	6,652	140,722.75	21.15	364,75-	Jan. 1938	0.01	0.01
Tambis Gold	400,000	0.10	309,506.00	1,700 cu. yds.	26,493	10,386.00	cu. yd.	3.38	309,506	Jan. 1938	S-0.0175 S-0.0175
Tinao Cons.	1,000,000	.10	683,550.00	---	850	21,900.00	---	---			
Twin Rivers	1,000,000	0.10	500,000.00	1,266	---	26,919.94	---	---	Dec. 1936	0.03	---
United Paracale	1,100,000	0.10	1,100,000.00	350	9,394	220,023.73	23.42	388,807	March 1938	0.01	0.01
Total						P5,431,678.38					
April 1938 Gold Production	P5,351,815.41										
May 1937 Gold Production	P4,279,986.45										
Total Production to date	P25,431,350.22										



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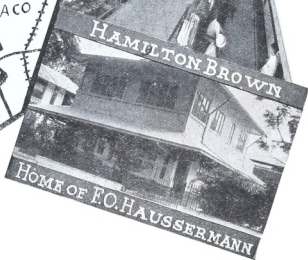
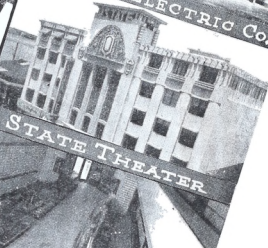
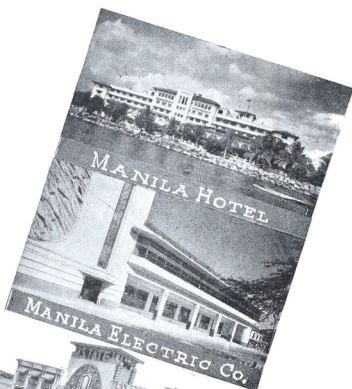
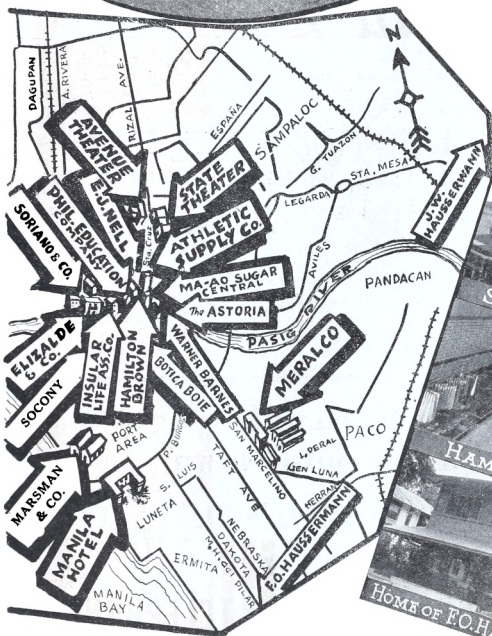
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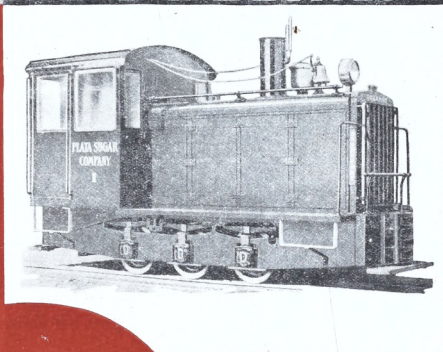
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The Observation . . .*(Continued from page 18)*

it were available) is only 13.7 grains, and if the full legal limit of devaluation were imposed the content would be exactly half the old figure, but the main point is that, at the present time, the Government holds all the gold, regardless of official dollar content. It is only necessary to add the fact that, due to spending policies, government credit is steadily becoming more in question, to find the explanation for lack of confidence.

As this article is written there is talk of an early devaluation to the full legal limit; in other words, of increasing the dollar value of gold to \$41.34 per ounce. It is held in some quarters that such additional devaluation would serve as a fresh spur to the general price level by again cheapening the dollar in terms of tangible things. It is quite possible that such a move would find markets, both security and commodity, in technical shape to show a temporary response, but it seems far more true that the gesture would be fruitless in the broader sense, unless accompanied by assurances that the end of monetary manipulation had been reached and that a return, even under abridged conditions, to orthodox principles was in sight. On the other hand, if such assurances were forthcoming, and if some measure of a free gold market was established, it seems a fair assumption that an important reversal, not only of the domestic, but of the world price level, would result.

Only less important than the matter of the world's economic bloodstream is the question of taxation. A levy upon the income of its citizens is the only means by which a government can exist and function properly. This levy must of necessity be either high or low in por-

tion to existing conditions. Just as for many centuries governments have had it in their power to arbitrarily create money by currency debasement, or inflation so they have been in a position to range from the intelligent enforcement of reasonable contributions to the national income to downright confiscation. The power of taxation backed by government forces is a great one, and the temptation to misuse that power has time and time again led to national disaster. The old adage of killing the goose that lays the golden egg is as true now as when it first saw the light of day, yet governments continue along shortsighted paths, encouraged in the last two decades by the incursion of communism, and the falacious principle of redistribution of wealth.

Taxation, on a basis of "ability to pay" is a reasonable principle, but only when that taxation extends throughout the social structure. No better example of this can be found than in Great Britain today. Great Britain's public expenditures, aside from the matter of re-armament, are today the greatest in her history. Per capita taxes are highest since the darkest periods of the Great War, yet the Government is solvent. This is due to one thing, and one thing only—that is the true application of the principle, "tax on ability to pay" as opposed to confiscation of wealth.

Failure to realise this principle can only result, as it has already resulted in the United States, in stifling of private enterprise. Fortunately, there is a growing realisation of this matter in America, and this was clearly brought to light in the recent battle over the revised tax bill. In that bill, which was only passed after a bitter Administration fight, certain important modifications were made which, while far from satisfactory from the standpoint of the practical economist, nevertheless show

*(Please turn to page 39)***DU PONT**

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The Stock . . .

(Continued from page 19)

effort to alleviate the "recession". All news services deny sponsorship of the story, which seems to have come from a private London source, and was slapped onto the ticker for what it was worth.

Economists write that there is some possibility that the Roosevelt administration will again resort to this shot in the arm, should the present trend toward a panic depression in the United States continue. The possibility, however, is said to be exceedingly remote at the present time, Washington being amply supplied with other means of stimulating business artificially. Devaluation of European currencies is considered a more likely possibility, and is said to be indicated by the current strong demand for gold in Europe at advancing prices, either to finance war purchases, or for hoarding.

Exchange gamblers are said to have made a killing out of the recent devaluation of the French franc, and we read that they are poised to cash in on further devaluation steps which they believe imminent. Should devaluation occur, the effect should be favorable to gold, we are told.

In any event, Manila buyers are making commitments on a straight value-received basis. Gold rumors do not affect this trend in the least. Dividend-payers with good production reports are being purchased, almost to the total exclusion of other issues on the board. Benguet, Balatoc, Big Wedge, Atok, Baguio Gold, Demonstration, I. X. L. are accounting for most of recent rises, with other Marsman and Soriano stocks participating to a smaller extent.

Trading volume (an extremely important factor) increased tremendously during the last week under review, running to over 6 million shares, valued at P1,254,884.00 at the Manila, and 3,014,140 shares worth P185,818.00 at the International. Just two weeks before, both Exchanges were reporting lowest volume since January 11th.

Brokers are greatly concerned over proposed amendments to the Philippine Income Tax law, which would 1. increase the basic rate on non-resident aliens' income from sources within the Philippines from 3% to 10%, this 10% to be applied to non-resident aliens' speculative profits, (capital gains), and, 2. Limit deductible losses in any one year to P2,000.

A communication from a member of the board of directors of the Manila Stock Exchange to the board re these amendments points out that at the present time Hongkong and South China are the largest traders in Philippine securities. The relationship between Hongkong and Manila is stated to be very similar to the relationship between London and New York.

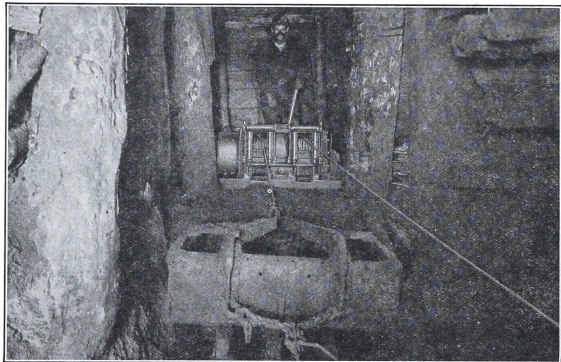
The letter points out that, after the U. S. securities Act was passed, and certain

objectionable features of Federal taxation became law, volume of trading in London on U. S. securities increased tremendously, until now there is actually a larger volume of trading in U. S. securities in the London market than in New York. The reason for this is said to be the fact that there is no tax on capital gains in London, as well as lower margin requirements in London.

Now, there is no income tax in Hongkong. Machinery already exists there for trading in Philippine securities, without using the facilities of any local stock ex-

change or brokerage house. Anticipated result of passage of the 10% capital gains tax on non-resident aliens: loss of Hongkong and South China business by local brokers, and loss of any revenue from speculators in these places by the Philippine government.

The limitation of deductible losses to P2,000.00 is also an imitation of a New Deal measure. As applied here, with danger of losses from mining investments extremely high, the provision could in many cases result in a confiscatory tax, the letter points out.



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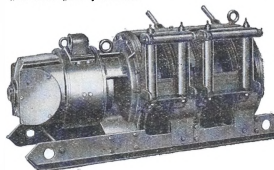
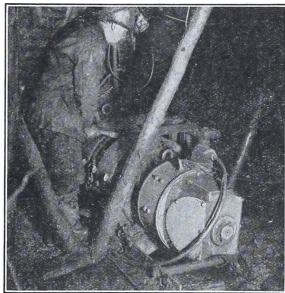
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Called from . . .

(Continued from page 20)

but on May 18th, it was discovered that the power plant needed overhauling and further repairs, and the plant was stopped again, for 8 days.

Mr. Lednický stated that from May 28th on, the mill operated at full capacity, and said that in his opinion it would continue to do so. From May 26 to 31, production averaged around P1,700.00 per day, which insures a fair profit.

Mineral Resources' Labo mill will arrive shortly, and Mr. Lednický stated that it should be in operation by September 1st. It has been decided to extract as much free gold as possible, and to stock the sulphide

tailings for treatment later.

TWIN RIVERS: *Russell R. Bryan*, consulting metallurgist, has completed an examination of the *Twin Rivers* milling plant, at the junction of the Antamok and Balatoc rivers in the Baguio area. The plant treats tailings from the Baguio mines, and has always shown a good profit, but the metallurgist's report indicates that a more profitable method of treatment might be evolved.

Mr. Bryan's recommendations would involve further testing, and supervision by a mining expert with much experience in this field. *Twin Rivers* believes that it has found this man in the person of *Mr. J. M. Morris*, former mill superintendent at *Benguet Consolidated*.

NALESBITAN MINING COMPANY: Is being formed to take over and operate the claims of the original *Nalesbitan Venture* association, at Labo, Camarines Norte. The company will be capitalized at P1,000,000.00. Participants in the original Venture, will sell their rights to the new corporation for P400,000.00 in stock of the new company. It is understood that the Securities and Exchange Commission has consented to this transaction, due to the large amount of ore already blocked out.

Mackay and McCormick, share brokers, have been obtaining subscriptions (conditioned upon the company's being granted a permit by the SEC) to approximately P600,000.00 worth of stock. It is understood that the issue is being taken up in a steady, if not spectacular, fashion. Funds thus raised will be used to finance erection of a mill.

Southwestern Engineering Company of the P. I., Inc. will build the mill—a 200 ton unit—on a basis of cost plus ten percent.

Engineers state that approximately 200,000 tons of ore have been blocked out to date, which insures a supply of ore sufficient to run a mill for approximately three years. It is said that the ore is of sufficiently high grade that a yearly profit of P200,000.00 can be made.

Original participants have been given first crack at the new issue. Subscriptions, of course, cannot be filled until the SEC grants the permit.

RALSTON LEAVES: *Mr. A. W. Ralston*, president of the *Manila Machinery and Supply Company, Demonstration Gold Mines, Ltd.*, and of *Benguet Exploration*, left recently for a well-earned vacation abroad. During his absence, *Mr. Newton D. Baldwin*, of *Macondray and Company*, will fill in as head of *Demonstration*, and *Mr. Conrado Garcia*, vice-president of *Manila Machinery and Supply*, will be in charge of the affairs of that company, it was announced to the press.

NEW MEN FOR SOUTHWESTERN ENGINEERING: Two men were added to the staff of the *Southwestern Engineer-*

ing Company of the P. I., Inc. last month. *Ralph Parsons*, a construction engineer with over 30 years' experience, arrived by *Clipper* to act as assistant construction superintendent for *Southwestern*. *Briggs Kinney*, of the parent office in Los Angeles, flew out on the *Clipper* to join the local staff. *Kinney's* most interesting assignment, in the course of a long career was a two-year chore in Russia supervising construction of lead, zinc, copper and gold mills for the Russian government.

NEW FIRM OF CONSULTING ENGINEERS: A new firm of engineering consultants to the mining industry, *Bryan, Wisser and Payne*, has recently been organized, with offices in the *Regina Building*.

The firm is composed of *R. R. Bryan*, metallurgist formerly with the *Consolidated Mines*, here, *Edward Wisser*, geologist, now in the United States, and *John Payne, Jr.*, former chief geologist of the famous *Patiña* mines in Bolivia.

RARE METALS? An interesting item appeared recently in the local press. It follows:

Stockholders of *Agusan Gold Mines, Inc.*, have received a notice signed by *K. H. Hemady*, president, informing them that rare metals have been found on the *Agusan* properties. He stated that in addition to platinum and gold, the rare metals osmium, iridium, and ruthenium, were found in accordance with an assay report made by *Southwestern Engineering Company of P. I.*

The following is quoted from the assay certificate signed by *L. L. Kirtley*, chief assayer of the *Southwestern Engineering Company*:

"Nos. 3, 5, 6, & 8 showed distinct spots of ruthenium in the lead buttons, iridium from all eight samples weighed 0.328 ng. with sample No. 1 contributing most of it. Osmium and other related platinum group metals, from all eight samples weighed 0.160 mg."

Osmium is a rare metallic element of the platinum group, found native as an alloy in platinum ore, and in *iridosmine*. It is hard, infusible, bluish or grayish white metal, and the heaviest substance known. Its tetroxide is used in histological experiments to stain tissues. The price of this metal is P100.00 per ounce, and the supply is small.

Iridium is so-called from the iridescence of some of its solutions. A rare metallic element, of the same group as platinum, which it much resembles, being silver-white, but harder and brittle, and indifferent to most corrosive agents. With the exception of osmium, it is the heaviest substance known, its specific gravity being 22.4. Iridium usually occurs as a native alloy with osmium (*iridosmine* or *osmiridium*) which may occur alone or with platinum. Iridium as an alloy with platinum is used in bushing the vents of heavy ordnance. It



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Ruthenium is so-called from the "Ruthenians"—a little Russian people as coming from Russia, the metal having been found in the Ural mountains. A rare element of the light platinum group, found associated with platinum ores, and isolated as a hard, brittle, steel-gray metal which is very infusible. Price is P80.00 per ounce, and, as in the case with the other rare metals, there is but little of it in the world.

Two sets of samples, containing these rare metals, in addition to gold and platinum, were sent to England and U. S. A., in order to obtain an offer and to find out what quantity is required, Mr. Hemady stated.

What the Diggers . . .

(Continued from page 21)

this as it may, Pan-Philippines is making a definite success of *Treasure Island*. All of the staff houses, power house, and mill building are completed, and the 100-ton initial unit has arrived and is being shipped to the property. Ore is high grade, averaging close to the Big Wedge ore and in places even exceeding it, and it is expected that production will commence on or before September 1st.

HAUSSERMANN: Announcement was recently made that *Benguet* and *Balatoc* will increase their production capacity enormously in the near future. We un-

derstand that preparations have gone forward toward this end for a year or more. We wish to remind our readers, however, that any conclusion that the management of *Benguet* is doing this with 1946 in mind is gratuitous, even in view of the fact that *Benguet* and *Balatoc* are both greatly concerned over the possible outcome of the famous *Balatoc* patent suit, now in the Supreme Court for decision.

The Attorney General emphasized in his argument before the court in that case that, should the court hold for *Balatoc*, it "would mean turning over the mining industry of the Philippines to foreigners". Admittedly, Filipinos are not as important in mining here as they might be, but it is unfortunate that the Attorney General chose to regard Americans as foreigners. For this, and other reasons, it is important to the entire industry that the court render an early decision. Should *Balatoc* lose, there will be nothing for them to do but to appeal to the United States Supreme Court. However, if a decision is not rendered before November 15th next, there is some doubt, we are told, as to whether they can appeal at all, under the wording of the statutes.

SANTA ROSA: The flotation unit of 200 tons has been placed in operation on the property of the *Santa Rosa Mining Company*, in Mambulao. Operations to date have been largely of an experimental nature, on a reduced scale, although pro-

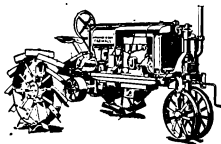
duction for May was over P100,000.00.

Tests on representative ore indicate that a recovery of 97% of the gold values can be effected by selective flotation, producing a shipping copper concentrate and a low grade pyrite concentrate. The pyrite concentrate will be re-ground to minus 325 mesh, and cyanided, together with the flotation tailings. Construction of the cyanide section of the mill is expected to be completed by July 1.

Santa Rosa's claims are being operated under a management contract with the *Union Management Company*.

MARSMAN: *San Mauricio* and *United Paracale* hung up new high monthly production figures during May, although the other three *Marsman*-managed producers turned in figures lower than for April. Total output of the five *Marsman* gold operations was P1,353,232.54 from 56,958 tons of ore treated and 336,520 cubic yards of gravel dredged. This total is the second-best monthly figure for the *Marsman* group.

Meanwhile, *United Paracale* stockholders approved the action of their directors in arranging for termination of the existing financial arrangement with *Marsman and Company*, managers. The directors were authorized to take necessary steps to increase the capital stock of the company from P1,000,000.00 to P1,300,000.00, and to permit *Marsman* nominees to subscribe to 1,941,176 shares at par value. This ar-



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agement will supersede the present one, by which Marsman and Company has been receiving a substantial management fee and other perquisites.

ROYAL GEKKO MINING SYNDICATE: This investment syndicate held a special meeting a few days ago at the University Club, to discuss a "new type of enterprise". The membership is very small, being composed of a few well-to-do Manila businessmen. Organized in the early days of the boom, its units have gone against the trend, and advanced consistently in price. Original memberships were P100.00, and nominal quotations give sellers as demanding P150.00. As a matter of fact, however, no units are available at this figure.

SORIANO: The Soriano group of three mines turned in an all-time high monthly production figure during May. Total gold output was over the million-peso mark for the second time, running to P1,032,330.21. *Masbate Consolidated* and *I. X. L.* both beat their previous records, while *Antamok* gained substantially over April.

NIELSON: *Tinago Consolidated* and *Paracale Gumaas* reported their first production last month. Tinago started its history with P21,000.00 produced from 550 tons of ore treated during May, while *Paracale Gumaas* recovered P20,089.38 from 2,160 tons.

MAPASO: Has made an agreement with the *East Mindanao Mining Company*,

whereby up to 12 tons daily of Mapaso's ore will be milled at the East Mindanao plant. The ore is high-grade, running around P100.00 per ton. Under the arrangement, Mapaso will receive 90% of the gold, and 85% of the silver extraction, less P8.00 to P8.50 per ton for treatment. In addition, it is estimated that it will cost Mapaso around P7.00 per ton to ship the ore to the East Mindanao mill.

The purpose of this arrangement, from the point of view of Mapaso, is to obtain enough income to pay for all operating expenses during the development stage of the mine, pending completion of plans to erect a mill on the Mapaso property. Felipe Buencamino, Jr., managing director, announced that development work has been very satisfactory this year, and stated that geologists and engineers estimate ore reserves at around P1,700,000.00.

SURIGAO CONSOLIDATED: A striking increase in the value of the mill heads was reported by this company for May. During that month, P68,607.00 was extracted from 2,080 tons of ore milled, and the tonnage was for an average extraction of P33.00, as compared with P19.50 per ton for April.

How Things . . .

(Continued from page 22)

The following groups of stocks are considered as offering "near term attraction"

in the sense that these industries not only will make relatively good earnings showings this year, but will also share fully in cyclical recovery. Holdings of selected stocks in these groups should, therefore, be retained in full under present conditions, and recommended issues should be utilized for switching from less desirable stocks.

Chemicals
Containers
Oil

Mail Order and
General Chains
Variety Chains

Stocks in the following groups are still vulnerable to intermediate downswings in stock prices. In the aggregate, however, this second classification includes industrial groups for which the expectation of better than average cyclical expansion in earnings appear warranted. At levels nearer the lows of the recent broad trading range or at a time when reversal of depression trends appears closer at hand, selected stocks in these groups would likewise merit purchase.

Aircraft Mfg.	Industrial Machinery
Autos and Trucks	Non-Ferrous Metals
Auto Parts	Office Equipment
Auto Tires and Rubber Goods	Paper and Paper Products
Building Materials and Equipment	Refractories Steel and Iron
Electrical Equipment	

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Least Attractive Groups

The following groups do not possess either the advantage of long term growth factors or that of stable volumes and earnings. Advantage should be taken of the initial stages of recovery to release any remaining holdings in these groups with a view to the subsequent employment of the funds in more promising industrial stock groups.

Apparel	Restaurants
Property Ownership and Management	Shipping
Coal	Silk Goods
Fertilizers	Sugar
Ice Refrigeration	Electric Holding Companies
Leather	Manufactured Gas
Radio	Tractions

DOWN NEW GUINEA WAY

In Iloilo we came upon an Anzac from Australia who had been in New Guinea (Australian mandated territory) eleven years and has a plantation of coconuts there comprising 800 acres. He seems to know a great deal about the placers on Edy creek that have become so famous, and says the placers in the whole Balolo river valley will yield for fifty years. However, this is a concentration at the southeastern part of the territory and the greater portion of New Guinea is a plantation project where veterans are given land (if they have means to work it) and pay no taxes during the first ten years.

New Britain, another island in the territory, is much larger than Luzon. But New Britain is very rugged and little explored. Raval, capital of the territory, is on this island, while the shipping point to the placers on New Guinea is Salamura. The placers are eight days away from the coast by hiking, less than an hour by plane. The ridge to be crossed rises 12,000 feet and the Balolo valley is at an elevation of some 5,000 to 6,000 feet. The descent, once the ridge is topped, is precipitous; it is the climb that eats up time in getting in.

There is no law in the territory, only a strict set of rules typical of the rules British character usually works out for the just administration of colonial territory. Infraction of the rule against concubinage with the Polynesian women brings a sentence of five years' imprisonment. The district officer is judge and jury, there is no appeal. Each district officer has a number of lieutenants, over subdivisions of his jurisdiction,

with powers similar to his, but his is the appellate authority.

An interesting footnote to this is the extreme difficulty with which Australian women get themselves admitted to the territory, so that few are there. Men on going there must deposit funds enough to take them back to their Australian homes—a precaution against failure. These are some of the circumstances under which the Edy creek strikes have exerted their attraction, and the plantations of coconuts are being founded. The administration also regulates the preparation of copra, the smoking process is used for drying and uniform high quality brings the copra a premium in London's market.

Labor gets a fixed reward and there is no deviation from it. Cash pay is six shillings a month. Rice is furnished, however, also two sticks of trade tobacco a week, a new clay pipe a month (or newspaper for cigarettes, a sheet a week), a loin cloth a month, and a tin of fish a week. Men are called *boys*, and our informant says they work well as soon as they try new bosses out. If a new boss's grit is good, they knuckle down to him; if it fails, he will never get on with them and had just as well pack up for Australia.

Death is the penalty for murder and some other crimes, of Polynesians. Hanging is the method of execution, and the district officers have this done publicly in the criminal's own village. Often the method is to stand the victim on an oil can, string him up by the neck to the limb of a tree overhead, and kick the can out from under him. The gendarmes are natives, their officers these British district officers and their lieutenants.

There is a code of quick rough justice for whites, another for browns—both summarily enforced.

WHEN IT RAINS IT POURS

For many years Attorney Alva J. Hill and associates clung vainly to hopes of a profitable copper strike in claims they held in the jurisdiction of San Remigio, Antique, Panay island, finally giving up and selling the property to a company headed by M. Galatas, Botica Boie's Iloilo manager. The new owners had the luck to strike a pocket from which they have sold 25,000 tons of highgrade copper ore at a net profit of P9 a ton. Their risk was P22,000 including the P10,000 payment to Hill et al., and their gain has been more than P100,000 in dividends distributed aside from a surplus for future effort.

When Mr. Galatas was seen in Iloilo two weeks ago, he said there is still 25,000 tons of this copper to be mined when the world price offers a sufficient net profit. Meantime still more luck has turned up.

According to samples in Iloilo and the reports of an Italian engineer-geologist, F. Parboni, employed at the project, two molybdenum deposits have been found, one in iron, the other in copper, and the latter is reported large and rich enough to warrant installing a 30-ton concentration plant. Molybdenum is a semiprecious industrial metal whose price current is about 46 cents a lb. due to its high fusing point. It is used as a flux, or conditioning agent, in high-grade steels. The known supply is scattered and limited, hence the enormous price. Further work will be done at San Remigio before the concentration plant is decided upon, Mr. Galatas says.

The largest known molybdenum deposit now being worked is that at Climax, Colorado, property of the Climax company whose dollar-par stock usually sells at some fifty times par value. The deposit averages 1/2 of 1% in molybdenum. But Milton Sutherland, while in America last year, examined another deposit similarly promising, possibly better, in Nevada sixty miles from Goldfield. Here the surface averaged 1/4 of 1%, and the tunnel 1/2 of 1%. There remained 600 feet of tunneling to do, where surface samples were averaging 1% molybdenum: The Climax company is said to be watching this deposit very closely. So wealthy is its own property that the diggings have become a town bearing its name, Climax.

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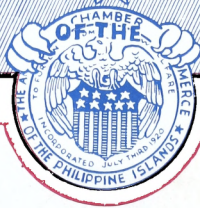
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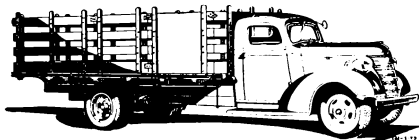
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Growing Asiatic Immigration

Chinese immigrants during the past two years were 10,655, emigrants 2,000. Nonimmigrants were 28,354, departing 20,272. Limited to the period covered, 1936-1937, the Commonwealth's Chinese population grew by 8,655 by way of immigration, 8,082 by nonimmigrant accretions, a total of 16,737. Women in the total are 2,581 and men 14,156.

Applied to Chinese, the term immigrants embraces children and wives of Chinese legally resident in the Commonwealth, merchants, students, and scientists—all under the sixth section of the U. S. immigration act of 1917.

Japanese immigrants during the past two years were 6,644 emigrants 3,460. Nonimmigrants were 3,448, departing 3,059. In the period covered, the Commonwealth's Japanese population grew by 3,184 by way of immigration, 389 by nonimmigration accretions, a total of 3,573. Women in the total are 707. Limited to im-

migrants alone, the Commonwealth's population of Japanese women rose during the period by 581.

No other immigrations are important numerically.

Total immigration during the period sums 19,065, emigration 5,817, the difference being 13,248. Of these 13,248 persons, 8,655 were Chinese and 3,184 were Japanese, a total of 11,839 leaving 1,409 distributed among all other nationalities of immigrants. These data exclude nonimmigrants sojourners in all cases. Yet by one means or another, probably thousands of the nonimmigrants will make shift to remain in the Commonwealth more or less permanently. Thanks are due the Department of Labor for the statistics arranged in our own tables accompanying this comment.

Immigration from neighboring Asiatic countries poses a problem for the Commonwealth. If limitation or an approach to exclusion is desired,

the strength of the Commonwealth alone is not enough to enforce such a policy. It would depend on retention of American sovereignty, some kind of continued political association with the union of the United States. If this were arranged, Chinese exclusion as now applied—it is seen that it is not entirely affective, though it does operate as a tangible restraint—would continue under the power of the United States and the increasing self-resourcefulness of the Commonwealth to give it better effect.

Japanese immigration would be a subject of diplomacy between Washington and Tokio effecting a gentlemen's agreement such as the Lansing-Ishii agreement of twenty years ago that worked very well. While Japanese are not subject to exclusion, their immigration can be controlled within certain limits because it is not impossible to bring Tokio to see that true or not, considerable Japanese immigration into the Commonwealth is looked upon with anxious aversion both here and in Washington. Moreover, Philippine farming is now practically closed to all foreigners by better enforcement of the public land laws, and commerce and industry alone have places for far fewer immigrants. Nor does Japan, while America is here, wish to jeopardize her commerce here by an arbitrary attitude about immigration or any other subject.

The Commonwealth could not go so far, and also, when definitely separated from the United States would probably find that country lukewarm on the subject—one that is notoriously delicate and fraught with possibilities of conflict. While new Pacific-islands interests of the United States are destined to extend the Commonwealth vicarious protection in the large, details such as immigration will hardly fall within this scope. Nor upon separation will the Commonwealth be able to count upon a treaty of any kind, involving the United States, unless America's traditional diplomacy has gone haywire entirely and she is now willing to entangle herself with foreign compacts. When the Commonwealth thinks of complete separation from the mother country, immigration that might easily develop to an inundation should be the first afterthought.

Aliens Coming from and going to Foreign Countries

Race or Nationality	ARRIVED						DEPARTED					
	Immigrants			Non-Immigrants			Emigrants			Non-Emigrants		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Chinese	3,367	1,803	5,170	13,401	1,671	15,072	1,636	192	1,828	6,295	701	7,066
Dutch & Flemish	50	19	69	17	21	38	103	1	1	85	22	146
East Indians	57	16	73	109	22	131	44	6	50	117	29	107
English	182	97	279	265	328	821	37	26	63	707	351	1,058
French	39	22	61	39	27	66	5	6	11	98	84	192
Germans	72	61	133	163	76	239	7	3	10	208	87	295
Iris	13	3	16	1	—	1	—	—	—	1	3	21
Italians	35	4	39	37	11	48	—	—	—	42	16	67
Japanese	3,067	1,113	4,180	1,514	565	2,079	1,403	532	1,935	1,021	339	1,464
Portuguese	16	23	39	23	26	49	—	—	—	28	46	74
Russians	39	61	100	38	84	122	—	—	—	15	40	65
Scandinavians	6	3	9	7	2	9	—	—	—	—	—	—
Scotch	4	2	6	1	—	1	—	—	—	—	—	—
Spanish	85	78	163	180	110	290	19	16	35	184	126	310
Syrians	2	—	2	—	—	—	—	—	—	—	—	—
Turkish	17	2	19	8	—	8	—	—	—	—	—	—
Other Peoples	198	83	287	287	165	442	14	8	22	328	187	514
Total	7,232	3,388	10,620	16,371	3,045	19,416	3,166	780	3,955	9,839	2,071	11,910

Year 1936

Race or Nationality	ARRIVED						DEPARTED					
	Immigrants			Non-Immigrants			Emigrants			Non-Emigrants		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Chinese	4,405	1,989	6,495	11,820	1,412	13,232	143	29	172	11,549	1,037	12,546
Dutch & Flemish	22	3	25	197	24	131	6	5	11	109	23	136
East Indians	111	24	139	170	60	234	46	4	50	155	23	178
English	47	36	83	449	343	792	20	13	33	426	307	733
French	7	3	10	50	42	92	1	—	1	52	30	82
Germans	14	12	26	126	59	185	2	5	7	123	68	197
Iris	7	—	7	18	4	22	2	—	2	10	2	12
Italians	11	5	16	11	33	44	7	—	7	23	7	30
Japanese	1,717	157	2,474	1,328	609	1,937	7,017	508	1,525	1,287	373	1,658
Portuguese	2	2	4	10	10	20	—	—	—	14	12	26
Russians	11	8	19	23	74	97	—	—	—	15	62	77
Scandinavians	2	1	3	25	8	33	—	—	—	28	8	46
Scotch	5	1	6	25	8	33	—	—	—	25	6	31
Spanish	40	28	67	179	132	311	22	14	36	144	93	237
Syrians	4	—	4	—	—	—	—	—	—	—	—	—
Turkish	11	5	16	11	33	44	7	—	7	23	7	30
Other Peoples	49	23	72	145	99	244	15	9	24	117	99	214
Total	6,465	1,987	8,445	14,516	2,688	17,204	1,275	587	1,862	14,152	2,154	16,306

Marsman Building Corporation gets contract to build residence of American High Commissioner

Marsman Building Corporation, a Marsman subsidiary, was this month awarded the contract by the United States government for the building of the official residence of the American High Commissioner to the Philippines. The Marsman company landed the contract with a low bid of P440,794, competing against a field of three other builders, including the *Santa Clara Lumber Company* of Manila.

The building, which *Rep. Albert J. Engel* of Michigan, described in Congress as a "pretty good sized barn", will cover a large part of the 17.14-acre of filled-in land on Dewey Boulevard. It will be three stories in height, and will contain 47 rooms, of which 27 will be used as offices for the Commissioner and his staff.

The history of this project is interesting, dating as it does back to the approval of the Tydings-McDuffie Act on March 24, 1934, providing for the independence of the Philippines, and the evacuation of Malacañang by the Governor-General.

At that time, a committee, composed of *Colonel F. W. Manley*, *Commander J. E. Kiernan*, *A. D. Williams*, *E. D. Hester* and *C. W. Franks* was appointed to select a site for the Residence. After considering five possible sites, the committee chose the rectangular area of Manila Bay south of the Army and Navy Club and the Elks Club.

The Philippine Legislature then passed Act No. 4269, which provided for the dredging and filling-in of the area by the Philippine Government. Costs of the seawall, landscaping, roads and drainage are borne by the United States, and it is estimated that these costs will not exceed three pesos per square meter.

In 1935, Congress, in the Second Deficiency Appropriation Act, provided \$750,000 for the construction of buildings (including a summer Residence at Baguio) for the High Commissioner, including acquisition of land, construction of buildings, and purchase of furnishings and equipment. Plans for the Manila

Residence were drawn up by *Mr. Juan Arellano*, as Supervising Architect of the Bureau of Public Works here, in cooperation with *Captain W. M. Allison*, of the Quartermaster Corps, who had been designated as Constructing Quartermaster.

These plans did not receive the immediate approval of the State and War Departments at Washington. The Supervising Architect of the Treasury Department was called in, and he prepared sketches of floor plans which were sent back here for inspection by Messrs. Arellano and Allison. The plans were generally satisfactory, and were finally approved.

Pedro Siuchi and Company, Inc. submitted the low bid to the Bureau of Public Works for the construction of the seawall and boat landing (\$40,800). Construction was commenced on December 31, 1936, and was supervised by *Captain W. M. Allison* and *La Monte Clark*, Construction Superintendent. Filling operations were commenced in February, and completed in July, 1937. Settlement of the fill has been less than expected, and the site is now considered ready for construction activities.

The whole project of the two Residences of the High Commissioner

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(Manila and Baguio) came in for a lot of Congressional criticism during the recent visit of Commissioner McNutt to the United States. Some of this was directed at Mr. McNutt himself, although he had nothing whatever to do with the initiation of the project, selection of the sites or plans for the buildings. In fact, it is probable that he and his family will never occupy either building. Nevertheless, Mr. McNutt defended the outlay (comparatively large in view of Washington's traditional niggardliness in the matter of residences for American representatives abroad) in these words: "The point must be considered that you are making provision for an office which represents American sovereignty in an Oriental community. So far as I am concerned, I would be more comfortable in a smaller house out on Manila Bay, but we must think of the prestige of the High Commissioner."

The Manila Residence is expected to be completed about January 1, 1940.

Tondo	57,217	325,325
Binondo	99,325	553,768
San Nicolas	23,840	32,866
Ermita	119,500	155,600
Malate	180,701	78,721
Paco	59,006	12,650
Sta. Ana	50,303	27,041
Quiapo	42,321	47,793
San Miguel	55,690	130,122
Intramuros	37,000	2,800
Sta. Mesa	4,000	—
Pandacan	1,020	—
	P946,868	P1,770,690

referred the inquiry to Dr. Eulogio B. Rodriguez at the National library, who returned this information:

D. Agustin de la Cavada spells the name without the "g" in his geographical and statistical history of the Islands. This follows Clemente Cobarrubias in his Protocolo of 1825, Rodriguez San Pedro in his Legislacion Ultramarina, Governor General Manuel Crespo in a proclamation of 1856, the Cedulaario for 1855 to 1857, and the historical committee now marking such edifices, who placed a marker on the palace about October 1935, using the term Malacañan Palace. Tagalogs in our office say there should be the "g" at the end, but they agree with us that the origin may be the vulgate *may lakan dian*, translating into the great (or powerful) are (or live) there. This could easily shorten into *Malakanyan*, and this is the form that may be most nearly correct philologically, since there is no "c" in Tagalog and the "c" in *Malacañan* is reminiscent of Spanish.

HOW TO SPELL IT

A friend inquired of us the correct spelling for *Malacañan*, whether it might not be *Malacañang* with a "g" ending. We

REAL ESTATE

By P. D. CARMAN
BOULEVARD HEIGHTS



May transfers were in excess of any May totals since 1918 with the exceptions of 1935 and 1937. The January-May total is however much lower than that of last year:

1938	P 5,763,601
1937	12,295,709

Sales City of Manila
1938

	April	May
Sta. Cruz	P 96,364	P 311,592
Sampaloc	129,551	92,499

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RICE REVIEW

MAY, 1938

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

RICE

Under pressure of heavy receipts of cheap rice from the Cagayan Valley coupled with the comparatively heavy liquidation by producers by reason of the payment of land taxes and the opening of the school year, the market suffered



a little setback amounting to 5¢ per sack. As a whole, however, the position is highly satisfactory. In the face of such adverse factors prices should have receded substantially, but sellers showed persistent firmness, displaying no anxiety to sell at reduced rates.

Manifested arrivals by water during the month of May amounted to 35,061 cavanes compared with 20,616 in the preceding month. Receipts by rail also registered a moderate increase, being 123,904 against 107,883 in the preceding month. Arrivals, however, by rail during the first five months of 1938 totaled 783,975 cavanes compared with 869,617 cavanes in 1937. We interpret this as a reflection of the reduced crop for 1937-1938 which was more pronounced in the Central Luzon provinces.

With stocks running low in the principal

centers of consumption and the approach of the planting season, the trade generally anticipates an improvement in price. While complaints have been received from quarters representing the consuming element protesting against the alleged excessive prices of rice, we are of the belief that prices would likely register some more advances. The National Rice and Corn Corporation has consistently adhered to its policy, announced early in the year, of not interfering with the normal course of the rice business. Should at any time, however, prices reach a level considered prejudicial to public welfare, it will undertake the task of stabilizing the price within limits mutually beneficial to producers and consumers. Today, the Corporation believes that the upper limit has not been reached.

The market opened firm with second class Macan selling at P6.35-P6.45 but closed quietly at P6.50-P6.40.

PALAY

While an easy undertone prevailed in provincial markets, holders showed little disposition to liquidate unless hard pressed for cash to meet urgent obligations. Despite the fact that palay quotations in Cabanatuan and other milling centers have suffered a slight recession, it is believed that they are still above the parity of rice in Manila. Closing quotation in Cabanatuan range from P3.08 to P3.13 per sack of 44 kilos, gross.

BY-PRODUCTS

A healthy demand for by-products continued to be felt and notwithstanding the minor decline registered at the close, this level was nevertheless satisfactory. Tiki-tiki No. 1 opened at P2.45 and closed at P2.25. Binlid and other by-products continued to command attractive prices.

TOBACCO REVIEW

MAY, 1938

By P. A. MEYER



RAWLEAF: The harvest of the 1938 crop has been completed in Cagayan and Isabela. Unfortunately, as far as can be judged by now, the quality of the crop leaves much to be desired. Comparative figures of shipments abroad are as follows:

Rawleaf, Stripped Tobacco and Scraps

	Kilo
Belgium	590
China	14,802
France	48
Holland	3,098
Hongkong	33,012
Java	330
Korea	22,165
Straits Settlements ...	497
United States	110,616

May 1938	185,158
April 1938	469,676
May 1937	2,379,740
January-May 1938	4,668,981
January-May 1937	7,529,722

CIGARS: Shipments to the United States compare as follows:

	Cigars
May 1928	13,428,682
April 1938	15,388,476
May 1937	11,647,068
January-May 1938	70,374,478
January-May 1937	59,167,097

THE FIELD IS WIDE OPEN

Following is an editorial bit of wisdom from Richard C. "Dick" Wilson of the United Press Associations, reprinted from Manila's MONDAY MAIL.

Growth of the Philippines from an undeveloped, little known colony to a thriving nation standing on the threshold of acquiring independence

without having to resort to bloodshed, will unquestionably catch the attention of historians writing in the next century. The policy of the United States in preparing the Philippines for an autonomous government presents a weird spectacle in a century when the policy of many strong nations is in the opposite direction, if Man-

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churia, Ethiopia and Austria can be cited as examples.

Filipinos are confronted with an opportunity comparable to that faced by the early American settlers. If Filipinos display the pioneer spirit which carved prosperous homesteads from Illinois timberlands; cotton fields amid the southern pines, and gold mines from Nevada's mountains, they should create a great nation. Few countries of comparable dimensions can approach the Philippines in natural resources and potentialities. Few enjoy its central location amidst approximately one-half of the world's population.

Manila should become the capital of Democracy in the Eastern Hemisphere. Java was developed by the Dutch. The British rule Malaya and India. Indo-China has French rule. Siam and Japan are monarchies, while China lives under a dictatorship.

The field is wide open, so to speak, for Filipinos to carve whatever they desire from their fertile islands. The field for commercial development is literally unlimited. Even the dreaded crocodile has more value than just the leather from his tough hide. Epicures report crocodile eggs

taste like plover's, while crocodile steak is described as superior to venison.

Java provides an excellent example of commercial development such as can be duplicated in the Philippines. Java produces 92% of the world's cinchona; 73% of the world's kapok; 71% of the world's pepper; 14% of the world's tea, and 6% of the world's coffee. It also ranks third in world production of sugar, and second only to British Malaya in production of rubber and tin. The sources which produce most of these products were introduced to Java from other countries: rubber from Brazil; sugar cane from the West Indies; tea from China; cinchona from the Andes; coffee from Arabia; cocoa from South America, etc. Science has demonstrated that most of these products can be commercially profitable in the Philippines.

President Quezon has created a liberal homestead program to make land available for all of these products. The Filipino himself will have to provide the Pioneer Spirit to "cash in" on the rich storehouse Nature has given him.

The old adage "it pays to advertise" has been conclusively proved time and again. Possessed of products used throughout the

world, the Philippines should accompany the development of its storehouse with a campaign of "telling the world" what it has for sale. By the written and spoken word, the islands should be made better acquainted to the buyers and sellers of every country.

The World Almanac describes Manila Bay as the finest natural harbor in all Asia. If the Philippines "tell the world" long enough and loud enough, there can be no doubt the merchant ships of every flag will in time find their way into Manila Bay to carry away the fabulous list of products these islands can produce.

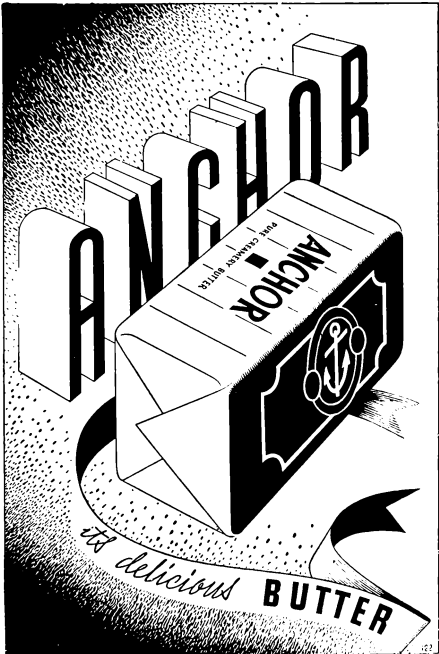
—Monday Mail, 5-16-38

POSTHUMOUS HONOR

A letter from Dr. Dean Newhouse, registrar, University of Washington, to Mr. and Mrs. B. H. Berkenkotter read as follows:

"I am happy to inform you that a degree of Bachelor in Science in Mining and Geology is to be granted to your son, Frank E. Berkenkotter. The University of Washington is happy to give this recognition of the fine work which was so near completion."

This is posthumous honor, that Frank's young friends will all be glad to learn of. We knew this lad, whose heart was strong for the battle, whose word was the bond of a knight. Readers will recall that he succumbed to postoperative complications following amputation of a leg injured in bowling, and died March 21.



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It is remarkable that one can motor over an unbroken road 600 kilometers north from Manila, and still more remarkable that a similar trip is possible in the opposite direction from the islands' capital, through the southeastern provinces of this huge Luzon, of which we only begin to sense the real physical hugeness, and enjoy the grandeur, as engineers' blueprints materialize in road and bridge appropriations and the actual roads—with bridges added every year.

Banguì, the end of the road, is at the extreme northwest point of Luzon, whence a branch crosses the mountains to Aparri, the Cagayan river port and outlet of the Cagayan valley. We did not essay this trail. We simply saluted the justice of the peace at Banguì, drove around the plaza, got out of the car and let the ladies climb over the ruins of the old church while we explored the remains of what had been an appetizing lunch. We observed that a few eucalyptus trees skirted the plaza and were large and thriving, and then drove back to Laoag for merienda—dinner in Vigan an hour and a half later—a wonder trip of 250 kilometers of seagirt, valley-bounded and mountain-sheltered travel completed in a day.

Banguì is 150 kilometers North of Vigan, which is 450 kilometers from Manila; we had stopped overnight at Laoag, on the way up the coast.

The way to begin such a trip is to glance into the census. One finds that La Union has an area of 350 square miles, a population of 160,590, or 459 to the square mile; that Ilocos Sur has an area of 442 square miles, a population of 217,406, or 492 to the square mile; and that Ilocos Norte has an area of 1,293 square miles, a population of 219,129, or 169 to the square mile. But he also finds great towns, Laoag, for example, with 40,000 inhabitants; and in traveling through the three provinces he sees that the valleys are not extensive like those of central Luzon. They are comparatively narrow, coastal plains, and much of the total area is mountainous. Although 1,000 acres and more, of rice, is seen growing in a single field, it is divided among many owners. The farms are small, and

quite commonly owned by the families working them. A greater industry is observed among the farmers than in the central Luzon provinces where tenant farming is more prevalent. In the Ilocano provinces at this time of year, the Christmas holidays, you see rice fields being prepared for tobacco. Elsewhere "catch" crops are being planted, or sugar cane is growing

their activities into this region they will find it a very productive one. The women appear particularly industrious; they are seen working in the fields and at road building and irrigation construction—drawing the wages of men and doing a man's work. The men toil too, about as much as they do elsewhere in the islands where their energy is confined by what is hardly more than a neighborhood culture, with no ambitions extending beyond the sound of the church-tower bells.

Yet from this very region thousands of topnotch workmen were recruited for the sugar plantations in Hawaii, where good hard money rewards their toil.

Educators in the region say they have remarked the fact that young men who have gone through school, especially well up into high school, don't go back to the fields when they can no longer afford to study, or when repeated failures have taught them or their supporting relatives that further study would be useless. They have then learned to wear white clothes and esteem bodily cleanliness. They therefore proceed to make the wearing of white clothes an occupation, colored with the occasional excitement of political campaigns wherein they may be petty leaders, depended upon to harangue their less favored brethren and bring out the vote.

Their number is legion, the schools throughout the three provinces are all overcrowded.

The grazing lands are considerable. Carcasses of beef animals are regularly shipped to Manila in coast schooners, and carabao and horses are sold into the provinces south, Pangasinan, Tarlac, Pampanga, Bulacan, Nueva Ecija. They are also sold in Manila. The many coves form safe harbors for schooners, which are moored close to the shore at high tide. Planks are laid across from shore to shipside, and they and the chute into the hold are banked over with rice straw. Thus deceived, the animals are loaded without difficulty, and in a good breeze the run to Manila or another convenient market is not a long one.

What is seen along the long enchanting road from Manila to Banguì, is valleys



Mubagbug Water Falls, Ilocos Norte

and will be harvested in time to turn the land back into rice.

The region is now producing 60,000 bales of maguay annually. This grows on the lower hillsides, the dunes built by the sea, some of which are still bare, some half wooded over with scrub, and where scrub is growing it may be removed for the planting of maguay.

Men plod along the roads (which are frequently crowded with the traffic of well constructed carts drawn by trotting bulls), and have distaffs in their hands. They spin as they walk, and the women weave fine cloths of cotton, cotton-silk and silk. Wood carving is a household industry with some, brush making with others. When the embroidery houses of Manila extend

strung like a chain of emeralds along a coral coast. Towns brush by at intervals. brown thatched towns with old Roman red brick churches and whitewashed conventos, and high detached campaniles that were once, no doubt, fortifications against marauding Moros and the depredations of wild tribes from the hills. In folds of the hills, watchtowers are occasionally seen towers with turret tops where fire might be kept burning, whence torch signals could be flashed, and cannons fired upon fleets of Moro vintas endeavoring a landing in an adjacent cove—where forbidding coral reefs give way to shelving sandy slopes.

It is an old country, old and picturesque, with great edifices of the missionary church, the pride in bygone times of the devoted priests who built them, crumbling now, many of them, beneath the burden of the encroaching jungle—soon to be one with the forgotten glories of a great and gallant age; and were we to search in their old records, though many of these disappeared during the sanguinary 90's, we should see where more than one missionary expedition left this little port, or that one, for

the missions in old Japan.

Old pictures in the repaired churches and convents frequently depict martyrdom suffered by the early fathers. The arts they taught the people, the industries they established, remain after their memories are forgotten. Father Juan Davila introduces cacao from Mexico. Another introduces coffee, still another makes a device for stripping hemp which persists in common use to this day. One in the country we are traversing instructs in the reeling of fibers in running water. All are builders—churches, convents, roads. The road to Bangui from Manila embraces many sections of old Spanish roads and causeways, and many old Spanish bridges, centuries old and still as good as when first constructed. It is, this entire trip, not only highly diverting as an excursion into the provinces, but an interesting study of past and present, and how the new has been imposed upon the best of the old under Spanish rule.

Beyond Burgos, at the precipitous crest roadway of unsurpassed beauty, is Bojedor lighthouse, which should be visited for the

magnificent view afforded from the tower—where on the one hand the coast sweeps ruggedly away to the eastward and on the other the eye ranges out to sea and a limitless horizon.

The best plan for the trip is that of easy stages: the charm of motor travel in the Philippines is half lost if trips are made hurriedly. Start from Manila at a comfortable hour and reach George Stewart's hotel at Bauang in the afternoon. Tell George you want fried chicken and stewed apples for supper. Your bed will be clean and comfortable, the soundness of your sleep enhanced by the muffled rumble of the sea some hundreds of yards away. Make Vigan the next day, lurching by the roadside any place. Here you will make pleasant arrangements for the stay at Laoga the next night, and the day following this, motor on to Bangui and back through Laoga to Vigan, again having roadside lunches. Now double back to Manila, with your choice of numerous side trips including one to Baguio over the Naguilian road.

The Observation. . .

(Continued from page 26)


an encouraging trend of thought.

Not the least of these modifications related to the matter of capital gains and losses. The whole principle of a tax on capital gains has long been in dispute. Once again citing Great

Britain as an example, in that country no such tax exists because it is realized that any blanketting of investment or speculative capital must eventually do more harm than good.

However, the elimination of this form of taxation at this time in the United States is too much to expect, and it is sufficiently gratifying to witness some loosening of the prohibitory penalties against the creation of capital gains. Such gains are

(Please turn to page 41)



An open secret

already, the wonderful definition obtained in all those pictures which the Zeiss Ikon IKOFLEX II takes. In fact it's particularly easy with this camera to watch objects during exposure even and to set the desirable sharp focus by pressure on a lever, for it boasts as ground glass screen a collecting lens matted on the underside. Add to this the help of a magnifier for fine focussing, a frame finder for sports photography; and that you yourself can appear on the picture as well, you have the built-in self-release to thank. For other useful facts please apply to

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SUGAR MARKET REPORT FOR MAY

By WARNER, BARNES & CO., LTD.

Throughout May, the New York sugar market has been dull with a steadily declining tendency. At the beginning of the month, parcels afloat changed hands at 2.85¢ but a drop of ten points was registered during the second week and, in spite of a momentary steadiness when the majority of the distressed sugar appeared to have been disposed of, a new low of 2.65¢ was reached by the end of the month. This decline was caused by the continued absence of any indication from Washington that steps would be taken to remedy the over-supply, refiners in consequence being perfectly contented to cover their requirements by picking up afloats. This situation was aggravated by poor demand for refined sugar, and a general reduction in the price of refined sugar to 4.50¢ in the middle of the month did nothing to stimulate withdrawals.

Quotations on the Exchange have fluctuated as follows during the month:—

	High	Low	Latest
July	1.96¢	1.74¢	1.80¢
September .	2.00¢	1.79¢	1.84¢
January ..	2.06¢	1.82¢	1.87¢

March	2.03¢	1.86¢	1.91¢
May	1.98¢	1.87¢	1.94¢

Latest statistics of world stocks were 6,224,000 tons, compared with 5,213,000 tons last year and 6,036,000 tons in 1936.

Sales of Philippine sugar during the month amounted to 68,630 long tons at prices ranging from 2.65¢ to 2.87¢, while resales amounted to 18,000 tons at 2.65¢ to 2.85¢.

The local export market was practically lifeless throughout the period at P6.40 per picul and followed the decline in New York to a closing price of P6.00.

The market for domestic consumption sugar also moved into lower levels. Buyers were quoted early in the month at P4.00 per picul for mill-run centrifugals but reduced their prices to P3.80, showing very little interest and covering their requirements only from day to day.

Exports to the United States during the month amounted to 73,355 tons centrifugals and 5,508 tons refined. Total shipments from November 1st, 1937 to May 31st, 1938 were as follows:—

Centrifugals	597,990 tons
Refined	23,133 "
Total	621,123 tons

"SOMETHING ROTTEN IN DAVAO"

Under this head Winifred Willis as a pinch-hitting wit takes a back page of *New Yorker* for May 14 in stride. *New Yorker* at 35 centavos the copy, and it comes out weekly, is in our judgment a modern wonder of the world. But Miss Willis, let us not desert her at Davao as everybody seems to have deserted Colonel Luther R. Stevens. Miss Willis is anxious about that fleet of 22 foreign vessels that began getting American newspaper attention April 12, when it was said that Stevens was going to Davao to inspect and report.

Thereafter, however, though many other details were reported of the incident, among them the lugubrious commentary of the customs collector that it might all have been a phantom, "a mirage caused by yellow fog," that Miss Willis puts down as a darb (as we do too!), not another word was filed about Colonel Stevens. This omission is just what Miss Willis needed for a sensational finish. But get hold of the magazine yourself, please, and cheer Miss Willis to the flag. The only postscript we contribute is that Colonel Stevens is going away to school: one of the most competent officers that ever wore the Khaki & Red, he deserves this prelude to promotion.



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FOREIGN EXCHANGE

BY LEON ANCIETA
 Manager, Foreign Dept., P.N.B.



Foreign trade returns correspond to the first four months of 1938 reveal strikingly the outstanding cause for the continued sustained strength of the dollar since the beginning of the year. The supply

of exchange represented by exports which amounted to P95,000,000 was short by P15,000,000 compared with the demand for exchange represented by imports which totalled P110,000,000. In addition, the demand for foreign exchange to settle invisible imports comprised by freight, capital charges and other services must also be met.

There is a notable change in the situation as regards balance of payments from that of last year. During 1937 for the same period exports and imports totalled P107,000,000 and P73,000,000 respectively which show a decrease of P12,000,000 in exports and an increase of P37,000,000 in imports during 1938. To maintain the same ratio of position in foreign exchange as that of last year for the same period, excluding settlements of invisible imports, the country was short approximately P50,000,000 in its exports.

During May, bank figures showed markedly reduced volume in bills covering importations from abroad and the dollar thereby reacted slightly although its undertone remained strong. T.T. and D.D. transfers on New York were quoting at 3/4% premium. As, due to the continued scarcity of supply from trade channels, coverage can generally be obtained only from the Philippine Treasury by the purchase of demand draft on New York at 1/2% premium, the margin of profit of banks represented only from 2-1/2% to 3% per annum. As the month advanced, some sellers bid for business by reducing the rate of 5/8% premium for T.T. and D.D. on New York. Other banks were reluctant at first to quote at the lower rate which

can yield a profit of only 1% or less for T.T. but were subsequently forced to meet the reduced rate in order not to lose their business. The dollar thus, settled at a slightly lower level than was generally expected.

Offerings of bills covering exports fell far short of the requirements of buyers. Exporters thereby demanded the most favorable rates and bids for bills ruled strong at par for 60-day bills and 1/4% premium for sight.

In the foreign exchange market, chief interest and excitement centered on the French franc due to its impending further devaluation. England and America mindful of serious developments that may ensue if the chaotic conditions in French economy and finance were not straightened out, cooperated to bring about the inevitable devaluation of the French franc in an orderly manner as possible and without serious or violent repercussions on the other world's exchanges.

With a closing rate of 498-9/16 quoted last month, the pound sterling opened steady at 498-13/16, reaching a high of 499-1/2 near the close of the first week, the chief cause being fresh rumors of possible devaluation of the dollar. Concurrently, the crisis in the French franc was reaching its climax, with the French Finance Minister announcing that the French franc had been officially fixed at 179 per pound sterling. England and America followed with a statement that there would be no adjustment or devaluation contemplated in their respective currencies.

The announcement of the devaluation of the French franc had only a moderate influence on the pound sterling which moved to 498-7/8 the next day and was fairly steady around this level up to the near end of the first fortnight.

During the second fortnight, other factors chiefly the Czecho-German tension operated to influence the pound sterling reaching a low of 493-7/8 and closing at 494-15/16.

Opening at 306-1/2, the French franc broke down sharply to 280 with the announcement of its devaluation, or a drop of 26 1/2 or P.53 per hundred francs. The rates moved within very narrow range, there after, until the second fortnight when it reached a low of 276-3/8 closing at 377-7/8, in sympathy with the weakness of the

pound sterling. In the London market, the lowest rate was 178.81 still below the pegged price of 179 per pound sterling.

The Yen moved in sympathy with the pound sterling, quoting steady at 29-1/16 at the opening and moving slightly down to 29 at the close of the first fortnight. Thereafter, it moved at wider range reaching a low of 28-3/4 and closing at 28-7/8.

The Shanghai exchange encountered its greatest set-back so far since the advent of the Sino-Japanese War. Opening at 26-9/16, it moved steadily downward, reaching its lowest at 22-1/2 at the close. The continued victories of the Japanese army in China were ascribed as the chief cause for the sharp fall of this exchange.

Hongkong was generally fairly steady. Opening at 31-3/16, it reached a low of 30-3/4 and closed at 30-7/8. This is due to heavy demand for Hongkong dollars brought about by the prevailing troubles in China.

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COUNTER RATES

	U.S. Dollars		Sterling		Francs		Yen		Shanghai		Hongkong	
	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
May 1938	201.75	201.50	1/11-11/16	1/11-15/16	6.40	5.80	59	58.60	55.95	44.70	63.90	62.45
May 1937	200.00	199.75	2/o-1/8	2/o-3/16	9.15	9.05	58.10	58	60.20	59.90	61.90	61.25

The Observation...

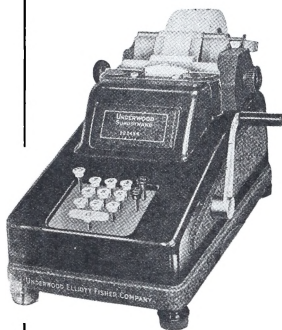
(Continued from page 39)

recognition is given to the time element, and it is now possible recognition is given to the time element, and it is now possible to carry over what are termed short-term capital losses as offsets to gains incurred in the ensuing year. In other words, in-

creasing attention is being given to a most vital factor, and that is that a national system can survive if the employment of that capital is made too precarious.

This is one lesson that is obviously being learned, and this writer again ventures the prediction that the coming year will see still further changes in the right direction.

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COPRA AND ITS PRODUCTS

by

KENNETH B. DAY AND LEO SCHNURMACHER



KENNETH B. DAY



LEO SCHNURMACHER

May was a very lethargic month. All over the world prices of commodities generally were dropping slowly and copra products were no exception. Prices already were so low that considerable selling resistance developed against additional declines, but world conditions were bad and gradually prices reverted to April lows, which were the low points of the year.

COPRA—The production of copra in May was unexpectedly heavy and receipts in Manila and Cebu were not only far greater than those for April but were particularly large as contrasted with May, 1937. In Manila May receipts were 69% greater and in Cebu 24% greater than those of May, 1937. At the close of the month prospects for an excellent 1938 copra crop were of the best, with unexpected calamities and a price for copra low enough to curtail production the only uncertain factors. The trees were in good condition with rainfall satisfactory and the nuts were setting in nicely.

As reported a month ago, at the close of April the copra market was considerably steadier than it had been in the middle of the month with buyers bidding P6.00 for Manila reseca and sellers holding off, hoping for better prices. This condition continued with practically no trading until about the 10th of the month when sellers who had been holding for P6.50 and buyers, who were only quoting P6.00, met on a common ground of P6.25 and a considerable selling wave developed in the Manila district. Thereafter there was another period of quiet with buyers still interested at P6.00 until along toward the 20th of the month when the market commenced to weaken owing to the impossibility of selling oil in world markets, and prices declined to a point where at the end of the month buyers were hesitant about paying even P5.25. During this period large sellers were not interested and while

a certain amount of business was done on the way down, the large part of the selling of the month occurred between the 10th and 15th. At the very end of the month sellers had made up their minds that copra would not improve and were getting ready to do a little selling at between P5.25 and P5.50.

In Cebu, which is largely an export market, the condition was considerably different and local prices were sustained at higher levels due to the fact that Cebu merchants had oversold themselves earlier in the year and were in a position to cover up at better than Manila equivalents. Cebu prices, therefore, ranged nearly 50% higher than those of Manila, but toward the end of the month it was felt that most outside commitments had been covered and that sellers would have to be prepared to do business at lower levels.

During the entire month provincial prices were considerably higher than equivalents at large centers, but the spread was becoming smaller as the month ended. In the Cebu district the demand was very largely for sundried copra, which was the quality in demand in foreign markets, particularly in Europe.

The European market was the best outside copra buyer, but at the same time was disappointing in that instead of remaining steady as had been anticipated in April it began to ease off, and from a high of £11/6/— for sundried in Northern European ports dropped to a low of £9/15/—, a substantial drop. This drop was counteracted very slightly by an additional decrease in the copra freight rate to Europe, which was dropped from 66/6d to 62/— as of May 26th. This decline in Europe was stimulated by heavy offerings from the Dutch East Indies and Straits Settlements, combined with the critical political situation in Europe, which made business precarious.

On the Pacific Coast copra declined from a high of 1.95¢ to a low of 1.67-1/2¢ with some business done all the way down.

(Please turn to page 44)

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SHIPPING REVIEW

By H. M. CAVENDER
General Agent—Dollar Steamship Lines



We can take scant comfort in studying the export movement for April—it amounted to 261,559 revenue tons or 70,000 tons less than in March. The figures are an improvement over those for April 1937—222,745 revenue tons. This slump as compared to March is

mainly in the major commodities list. The carriers are looking for business and finding it increasingly difficult to book their allotments. New comers in the carrying trade are facing a discouraging situation.

The price of sugar slowly dropped and the shipments for April were 101,207 tons only—96,647 tons of centrifugal and 4560 tons of refined—all to the United States trade. This brings the total movement for six months 1937-1938 season to 509,846 tons. The sugar refiners have shipped only 18,962 tons during the six months.

The desiccated coconut mills are still working below capacity and the movement was 4533 tons (40 cu. ft). This is a slight

increase over the March movement. The United States trade took 13,851 tons of coconut oil in bulk and China 112 tons in containers, a total of 13,963 tons. This is a falling off in the United States trade and in the total. Europe took none in either March or April. The copra trade in volume shows a slight gain, shipments to the United States were 19,660 tons—Europe 1300 tons—Japan 171 tons—total 21,131 tons. Cake and meal shipments were 2944 tons to the United States and 3900 tons to Europe—a total of 6844 tons.

Hemp shipments show a slight gain of 700 bales over March. Shipments were made over the following destination range—to United States 13,782 bales, Canada 500 bales, China 2304 bales, Japan 33,020 bales, Europe 42,575 and miscellaneous destinations 4747 bales. The United States and Japan buying show slight increases. The total movement was 96,928 bales.

The only ores taken by the United States were 494 tons of gold concentrates shipped to Tacoma smelter for reduction. No chromite or manganese moved to the United States as there seems to be a surplus now on hand in that market. Japan was the only

customer of moment—taking 64,450 tons of iron ore from the A G & P mines and 3855 tons from the Samar Mine, 168 tons of chromite, 550 tons of copper ore and 3700 tons of manganese. Europe took 50C tons chromite. The total movement was 75,717 tons.

The shipments of lumber and logs amounted to 6,053,204 board feet. The United States got a little less than 2 million feet, Japan 3-1/2 million feet, Europe 666,000 feet, Australia, South Africa and China the remainder.

Cigars amounting to 663 tons (40 cu. ft.) is normal but the tobacco shipments dropped to only 737 tons. Embroidery shipments were also normal—216 tons. The mango business is in full swing—Hongkong and Shanghai taking 273 tons. Increases are noted in alcohol, furniture, gums, rubber, hides and cutch. Decreases are noted in junk metal, kapok, molasses, pineapples, rope, vegetable lard and margarine and in liquors. The transit cargo movement was 2696 tons, much of which was Shanghai distressed cargo. We note a movement of canned tuna fish from Zamboanga to the United States.

From statistics compiled by the Associated Steamship Lines during the month of April there were exported from the Philippine Islands the following:—

(Next page, please)

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general managers

ELIZALDE

To	Tons	With Misc Ballage	Of Which Tons	Were carried in American bottoms with savings
China & Japan	95,906	42	776	5
Pacific Coast				
Local	24,666	16	12,222	6
Pacific Coast				
Overland	733	8	337	4
Pacific Coast				
Intercoastal	1,146	7	102	3
Atlantic & Gulf				
Ports	123,908	31	14,359	7
European				
Ports	12,744	15	47	1
All other ports	2,456	26	481	3

A Grand Total of 261,559 tons with a total of 94 sailing (Average 2782 tons per vessel of which 28,332 tons were carried in American bottoms with 10 sailings (Average 2833 tons per vessel).

Copra and . . .

(Continued from page 42)

During the second half of the month two successive sales of copra were made to Mexico at the Coast equivalents of 1.95¢ and 1.90¢ respectively, which figures were unattractive to Pacific Coast buyers. In view of the general uncertainty, however, Pacific Coast mills did not buy heavily during May.

Shipments for the month totalled 20,000 tons with the proportion destined for Europe larger than for several months past.

Copra stocks on hand at the end of the month were approximately double those available at the same period in 1937.

Statistics for the month follow:

Arrivals—Manila, 411,902 Sacks

Cebu, 389,064 "

Shipments—	Metric Tons
Pacific Coast	8,777
Atlantic Coast	1,524
Gulf Ports	3,054
Europe	6,629
China and Japan	164
Other Countries	145
Total	20,293

Stocks on hand—	Beginning of Month	End of Month
	Tons	Tons
Manila	29,581	34,117
Cebu	31,227	33,346

COCONUT OIL—At the beginning of the month oil was being offered in New York at 3-1/4 cents c.i.f. and on the Coast at 3-1/8 cents f.o.b. with not much interest on the part of buyers in either position. As the month wore on some little business was done at these prices, but large consumers were not interested because they were very well covered for their immediate and near future requirements. The Coast demand was from small refiners, but lagged off before the middle of the month to occasional transactions at 3 cents f.o.b. During the last half of the month, buyers reduced their ideas and by the end of the

223 Dasmariñas

Line	VESSEL	Leave Manila	Leave Hongkong	Leave Batavia	Haiphong
N D L	SCHARNHORST	Jun 25			
S E A	PEIFING	Jul 5			
H A L	KOLMERLAND	Jul 10			
D S S L	P. GARFIELD	Jul 10			
H A L	MEERKCK	Jul 15			
G & S	GLENAFARIC	Jul 19			
N D L	FOEDAM	Jul 26			
D S S L	P. ADAMS	Aug 7			
H A L	DUISBURG	Aug 7			
H E A L	SEROOSKERK	Aug 15			
N Y K	HAKOZAKI M.	CONN. STR.	Jul 2		
M M	ATHOS II	"	Jul 7		
P & O	RAJPUTANA	"	Jul 9		
B F	ANTENOR	"	Jun 29		
L T C	VERDE	"	Jul 16		
E A L J B	CHILE	CONN. STR.	Jul 16		
P & O	RANCHI	"	Jul 23		
P & O	NALDERA	"	Jul 23		
B F	HECTOR	"	Jul 27		
N Y K	SUWA M.	"	Jul 30		
M M M	JOFFRE	CONN. STR.	Jun 23		
M M J	LABORDE	"	Jun 25		
W L	TRITON	"	Jul 15		
C R	DESIRADE	"			*Jul 11
C R C	ST. JACQUES	"			*Aug 8
N L R D M	M. VAN ST. A.	CONN. STR.			Jul 13

Legend—

DSSS	—Dollar Steamship Line
P&O	—Peninsular & Oriental
BF	—Blue Funnel Line
NYK	—Nippon Yusen Kaisha
MM	—Messageries Maritimes
LT	—Lloyd Triestino
NDL	—Norddeutscher Lloyd
CR	—Compagnie Reunis
EALJS	—East Asiatic Line—Japan Service

month oil was being offered without success in New York at 3 cents c.i.f. and buyers' ideas on the Coast were not over 2-5/8 cents f.o.b. for prompt shipment with the possibility of 1/8 cent better for early 1938 deliveries. The volume of business done during May was relatively small and the outlook for substantial consumption of coconut oil during the second half of 1938 was anything but promising.

Shipments during May totalled 12,500 tons, which is considered light.

Statistics for the month follow:

Shipments—	Beginning of Month	End of Month
	Tons	Tons
Pacific Coast	1,515	
Atlantic Coast	9,335	
Gulf Ports	1,264	
Europe	320	
China and Japan	113	
Other Countries	23	
Total	12,570	

Stocks on hand—	Beginning of Month	End of Month
	Tons	Tons
Manila and Cebu	17,425	15,802

COPRA CAKE AND MEAL—The copra cake market, which was very dull during the last half of April, showed signs of improving shortly after the middle of May, and advanced to a point where business could be done at as high as \$53.00

(Please turn to page 46)

SAILINGS MANILA TO EUROPE VIA SUEZ

Courtesy—EVERETT TRAVEL SERVICE

Tel. 4-98-91

Leave Saigon *Bangkok	Leave Singapore	Leave Penang *Belawan †Madras	Leave Colombo	Leave Bombay	Leave Aden *Dibouti †Massaua	Arrive Suez	Leave Port Said	Leave Malta	Arrive Naples	Arrive Genoa	Arrive Marseilles	Arrive South- hampton *Plymouth	Arrive London	Arrive Hamburg	Arrive Rotterdam	Arrive Amsterdam
Jul 2	Jul 3	Jul 7	Jul 7			Jul 14	Jul 15		*Alexandria	*Brindisi	*Venice	Jul 18	Jul 18	Jul 21	Jul 25	Jul 25
Jul 12			Jul 22			Aug 2	Jul 31					Jul 24		Aug 19	Aug 16	Aug 16
Jul 16		Jul 19	Jul 23	Jul 28		Aug 7	Aug 7		*Aug 8	Aug 12	Aug 9	Aug 13		Aug 22	Aug 22	Aug 19
Jul 20		Jul 22	Jul 27			Aug 8	Aug 9				Aug 16			Aug 25		Aug 23
Jul 24	Jul 30	Aug 4				Aug 16	Aug 17									
Jul 30	Jul 31	Aug 4				Aug 11	Aug 12						Aug 29			
Aug 13	Aug 16	Aug 20	Aug 25			Sep 4	Sep 4		*Sep 5	Sep 9	Aug 15	Sep 13		*Aug 21		Aug 22
Aug 13		Aug 19				Aug 30	Aug 31				Sep 5	Sep 5		Sep 17		Sep 14
Aug 20	Aug 22	Aug 27				Sep 3	Sep 3				Sep 14			Sep 26		Sep 22
Jul 7	Jul 9	Jul 13				Jul 21	Jul 25	Jul 25		Jul 30		Aug 1		Aug 9		
Jul 14		Jul 19				*Jul 26	Jul 29	Jul 30				Aug 3				
Jul 15	Jul 16	Jul 20	Jul 23			Jul 28	Aug 1	Aug 1	Aug 3			Aug 5	*Aug 11	Aug 12		
Jul 6	Jul 8	Jul 12				Jul 18	Jul 24	Jul 24				Aug 5		Aug 4		
Jul 20		Jul 24	Jul 26			Aug 2	Aug 3	Aug 3	*Aug 5	*Aug 6	*Aug 6					
Jul 23						Aug 13	Aug 14	Aug 14								
Jul 1	Jul 2	Jul 6	Jul 9	Jul 9	Jul 14	Jul 18	Jul 18	Jul 20			Jul 22	Jul 24	Jul 29			Aug 25
Jul 29	Jul 30	Aug 3	Aug 6		Jul 11	Aug 15	Aug 15	Aug 17			Jul 22	Aug 25	Aug 26			
Aug 3	Aug 5	Aug 9			Aug 15	Aug 21	Aug 21				Aug 26		Sep 1			
Aug 4	Aug 5	Aug 10			Aug 13	Aug 22	Aug 23		Aug 27		Aug 29		Sep 6			
Jun 28	Jun 30	Jul 5			*Jul 12	Jul 15	Jul 16				Jul 20					
Jul 28	Jul 28	Aug 2			*Aug 9	Aug 12	Aug 13				Aug 17					
Jul 20	Jul 20	Jul 27				Aug 7	Aug 8									
Jul 19	Jul 22	Jul 28			*Aug 7	Aug 11	Aug 12				Aug 18			Aug 27		Aug 24
Aug 16	Aug 19	Aug 25			*Sep 4	Sep 8	Sep 9				Sep 15					
Jul 15	*Jul 16	Jul 20				Jul 29	Jul 30		Aug 3		Aug 9					*Aug 10

HEAL—Holland East Asia Line
 NLRDM—Netherland Line Royal Dutch Mail
 RL—Rotterdam Lloyd
 MAL—Hamburg Amerika Line
 SEA—Swedish East Asiatic Line
 G&S—Glen & Shire Line
 EALBS—East Asiatic Line—Bangkok Service
 WL—Wilhelmsen Line
 MMIC—Messageries Line—Indo-China Service

Notes
 a Also calls Gibraltar and Tangier.
 b Gibraltar
 c Hamburg
 d Tourane, Nantes and Bordeaux.
 e Jaffa and Haifa.
 f Antwerp and Amsterdam
 g Sabang, Ville Franche and Allies.
 h Also calls Sabang, Gibraltar, Tangier and Lisbon.
 i Cebu and Antwerp.
 j Port Sudan, Algiers and Antwerp.
 k Malacca and Port Swettenham.
 m Antwerp
 n Tourane and Pondicherry

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4-98-91

For Rates See Table	Line	VESSEL	Leave Manila	Leave Hong-kong	Leave Shanghai	Leave Dairen *Nagasaki	Leave Kobe	Leave Yokohama	Leave Honolulu	Arrive Victoria *Portland	Arrive Vancouver	Arrive Seattle	Arrive San. Fran.	Arrive Los Angeles	Arrive N. York	Arrive Orleans
	KL	GRANVILLE	Jun 22	Jun 26						*Aug 2			Jul 23	Jul 18		
16	SL	SILVERELLE	Jun 25							*Jun 28			Jul 22	Jul 17		
9	NYK	TATSUTA MARU	Conn. Str.				Jun 21	Jun 23	Jul 1							
9	NYK	TAIYO MARU	Conn. Str.				Jun 13	Jun 15	Jun 24					Jun 30	Jul 3	
14	BF	IXION	Jun 26	Jun 14		Jun 21	Jun 27	Jun 30								
4	DSSL	P. COOLIDGE	Jun 25	Jun 30			Jul 4	Jul 5	Jul 13			Jul 14	Jul 14	Jul 16		
							Jul 4	Jul 5	Jul 13			Jul 14	Jul 14	Jul 16		
							Jul 4	Jul 5	Jul 13			Jul 14	Jul 14	Jul 16		
5	CPR	E. OF RUSSIA	Jul 4	Jul 8	Jul 10	*Jul 12	Jul 14	Jul 16		Jul 25	Jul 25					
6	CPR	E. OF JAPAN	Jul 18	Jul 22	Jul 24		Jul 27	Jul 29	Aug 4	Aug 9	Aug 9					
16	CPR	E. OF ASIA	Aug 1	Aug 5	Aug 7	*Aug 9	Aug 11	Aug 13		Aug 22	Aug 22					
4	DSSL	P. COOLIDGE	Jun 26	Jun 30			Jul 4	Jul 5	Jul 13					Jul 18	Jul 22	
7	DSSL	P. CLEVELAND	Jul 12	Jul 16			Jul 20	Jul 21	Jul 29					Aug 4	Aug 7	
							Aug 3	Aug 4	Aug 12					Aug 18	Aug 21	
15	DSSL	P. WILSON	Jul 26	Jul 30			Jul 10	Jul 12						Aug 18	Aug 21	
6	AML	P. JACKSON	Jul 5				Jul 10	Jul 12						Aug 8		
9	AML	P. JEFFERSON	Jul 19				Jul 24	Jul 26		Jul 24	Aug 7			Aug 8		
20	NYK	CHICHIBU MARU	Conn. Str.				Jul 13	Jul 15	Jul 23					Jul 29	Jul 31	
21	NYK	TATSUTA MARU	Conn. Str.				Aug 9	Aug 11	Aug 19					Aug 25	Aug 27	
							Aug 9	Aug 11	Aug 19					Aug 25	Aug 27	
22	NYK	HEIAN MARU	Conn. Str.				Jun 27	Jun 30				Jul 11	Jul 12			
11	NYK	HIKAWA MARU	Conn. Str.				Jul 18	Jul 21				Aug 1	Aug 2			
24	NYK	BEIYO MARU	Conn. Str.	Aug 13			Aug 26	Aug 30	Sep 9					Sep 16	Sep 18	Aug 28
10	BL	TAI YANG	Jul 15	Jul 18	Jul 23		Aug 27	Jul 30						Aug 13	Aug 13	Aug 28
18	BL	TAI SHAN	Aug 15	Aug 18	Aug 23		Aug 27	Aug 30						Sep 13	Sep 28	Sep 28
							Aug 27	Aug 30						Sep 13	Sep 28	Sep 28
13	KL	CORNEVILLE	Jul 22	Jul 26										Aug 23	Aug 17	
25	BF		Conn. Str.	Jul 14		Jul 21	Jul 27	Jul 30			Aug 13	Aug 15		Aug 23	Aug 17	
2	ML	ANNA MAERSK	Jun 24	Jun 27	Jul 4		Jul 8	Jul 12						Jul 26	Aug 12	Aug 12
17	ML	NIEL MAERSK	Jul 24	Jul 27	Aug 3		Aug 7	Aug 11						Aug 26	Aug 26	Sep 13
							Aug 7	Aug 11						Aug 26	Aug 26	Sep 13
1	SL	BENGALEN	Jun 23							*Jul 13				Jul 18	Jul 23	
12	SL	DIAMBI	Jul 13							*Aug 16				Aug 10	Aug 5	
14	SL	MANDERAN	Jul 26							*Aug 29				Aug 22	Aug 17	

Legend—

CPR—Canadian Pacific
DSSL—Dollar Line
AML—American Mail Line
NYK—Nippon Yusen Kaisha
FL—Fern Line

BL—Barber Line
KL—Klausen Line
BF—Blue Funnel
ML—Maerak Line
SL—Silver Line

* "Ferglen" \$270 to \$290
† "Niel Maerak & Gertrude Maerak" \$266

Copra and . . .

(Continued from page 44)

c.i.f. Scandinavian ports with the local equivalent around P43.00 f.o.b. These prices did not last for long, nor was there a great deal of business done by the end of the month the prices had dropped back to \$31.50 with buyers not interested except in very late positions. At the very end of the month it was reported that the copra cake freight rate would not be increased prior to January 1st, 1939, thus giving the mills here an added lease on life of three months.

The Pacific Coast meal market was practically dead. There were a few scattering bids in at as high as \$26.00 c.i.f. Coast, but, as usually happens at this time of year, there was no appreciable demand for Philippine copra meal in the Pacific Coast market.

Shipments of cake and meal totalled nearly 11,000 tons, of which nearly 8,000 tons was in the form of cake to Europe, chiefly to Scandinavian ports.

Neither buyers nor sellers were very active in May, sellers being in a comfortable position and buyers preferring to wait until their needs should be more apparent.

Statistics for the month follow:

Shipments—

Pacific Coast 2,925 Metric Tons
Europe 7,976 " "
10,901 Metric Tons

Stocks on hand | Beginning | End of
in Manila and | of Month | Month
Cebu 8,669 Tons 6,211 Tons

(Please turn to page 48)

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Port Area

PRINCIPAL EXPORTS

Commodities	April 1938			April 1937			Monthly average for 12 months previous to April 1938		
	Quantity	Value	%	Quantity	Value	%	Quantity	Value	%
Canton (Low grade cordage fibre)	113,598 P	7,274 A	—	274,000 P	64,647 O	1	238,822 P	31,365 O	1
Cigars (Number)	16,190,376	473,228	2.3	17,712,408	646,768	1.9	17,619,976	626,639	1.9
Coconut Oil	17,613,796	2,395,477	11.7	8,643,993	1,919,928	6.7	13,487,294	2,968,686	11.0
Cura Tobacco	20,235,606	2,335,499	11.4	9,837,038	1,851,856	6.5	23,551,254	2,838,067	8.9
Copra Meal	4,967,917	295,574	1.0	9,943,812	443,010	1.5	9,965,792	637,875	1.6
Cordage	508,497	165,133	0.8	1,463,631	649,456	1.9	623,331	247,649	0.6
Decomest & Shredded Coconut	2,514,551	662,111	3.2	5,050,125	1,410,981	4.9	3,306,196	971,384	3.6
Embroideries	—	727,769	3.6	—	511,229	1.8	—	671,246	2.2
Hats (Number)	23,208	30,834	0.1	24,787	39,288	0.1	63,911	82,017	0.3
Hemp	10,287,261	1,607,901	7.4	16,755,407	4,989,103	17.5	12,374,796	3,033,716	11.2
Chromium Ore	195,972	7,221	—	3,896,148	67,220	0.3	4,908,667	226,346	0.8
Leather	81,849	225,206	1.1	171,833	68,759	0.2	792,965	388,757	1.5
Lumber (Cu. M.)	4,555	122,366	0.6	12,861	398,493	1.4	11,497	366,684	1.3
Maglev	526,104	58,829	0.3	1,407,314	139,226	0.7	1,045,645	193,097	0.5
Peary Buttons—Gr.	35,537	62,267	0.3	46,969	44,813	0.1	67,432	47,642	0.2
Substituted Textiles	84,121,876	9,716,949	47.6	98,313,616	13,496,564	47.3	75,158,414	9,853,324	36.3
Other Products	1,862,788	8.8	—	1,960,665	6.9	—	4,232,402	16.7	—
Total Domestic Products	P20,476,417			P28,576,086			P27,033,546		
United States Products	157,867			236,940			182,075		
Foreign Countries Products	104,377			34,010			59,381		
GRAND TOTAL	P20,738,382			P28,813,026			P27,252,704		

NOTE: All quantities are in kilos except where otherwise indicated.

PRINCIPAL IMPORTS

Articles	April 1938			April 1937			Monthly average for 12 months previous to April 1938		
	Value	%	Value	Value	%	Value	%	Value	%
Automobile	P2,198,267	7.8	P7,929,329	3.9	P7,110,224	3.5	—	—	—
Automobile Accessories	278,651	1.0	153,730	0.8	228,356	1.1	—	—	—
Automobile Tires	510,719	1.9	428,768	2.1	301,690	1.5	—	—	—
Books and Other Printed Matter	185,358	0.7	280,118	1.4	246,447	1.2	—	—	—
Breadstuff Except Wheat Flour	141,886	0.5	111,090	0.5	128,553	0.6	—	—	—
Cerac & Manufactures Except Candy	145,805	0.5	187,074	0.9	112,455	0.5	—	—	—
Cars & Carriages	124,763	0.4	212,190	1.1	167,985	0.8	—	—	—
Chemicals, Dyos, Drugs, Etc.	657,792	2.1	321,406	1.5	600,035	2.9	—	—	—
Coal	218,998	0.8	179,716	0.9	127,251	0.6	—	—	—
Cocoa & Preparations	268,009	1.0	294,009	1.5	127,827	0.6	—	—	—
Cotton Cloth	1,756,960	6.6	1,987,826	9.9	2,201,084	10.7	—	—	—
Cotton, All Other	992,910	3.8	1,439,647	7.2	1,278,975	6.2	—	—	—
Dairy Products	485,360	1.8	916,749	4.5	674,038	3.3	—	—	—
Diamonds	10,231	—	74,377	0.4	73,965	0.4	—	—	—
Eastern Stone & China-ware	94,466	0.3	110,757	0.5	139,137	0.7	—	—	—
Eggs & Preparation of	18,842	—	38,183	0.2	26,246	0.1	—	—	—
Electrical Machinery	730,968	2.7	723,269	3.6	676,343	3.3	—	—	—
Explosives	247,451	0.9	168,677	0.8	269,597	1.4	—	—	—
Fertilizers	385,369	1.4	749,898	3.7	598,622	1.0	—	—	—
Fish and Sea Food	357,989	1.3	648,949	3.2	296,376	1.6	—	—	—
Fruits and Nuts	444,212	1.7	304,684	1.5	218,339	1.1	—	—	—
Gasoline	718,233	2.7	281,627	1.3	413,897	2.0	—	—	—
Glass	342,943	0.5	195,349	0.9	198,073	0.9	—	—	—
Rubber Goods	139,087	0.5	127,305	0.6	167,691	0.8	—	—	—
Instrument & Apparatus	94,049	0.3	102,557	0.5	112,336	0.5	—	—	—
Iron & Steel Except Machinery	2,801,679	10.4	1,973,782	9.8	2,240,364	10.4	—	—	—
Leather	361,821	1.3	431,314	2.1	238,350	1.2	—	—	—
Machinery & Parts of	2,172,899	8.1	1,348,936	6.7	1,625,056	8.0	—	—	—
Meat Products	240,396	0.9	275,399	1.4	230,552	1.1	—	—	—
Oil, Crude	981,652	3.7	78,917	0.4	379,339	1.8	—	—	—
Oil, Lubricating	226,943	0.8	195,836	0.9	192,867	0.9	—	—	—
Oil, Lubricating	186,638	0.6	69,795	0.3	112,308	0.5	—	—	—
Other Oils, Animala, Mineral	158,266	0.6	150,648	0.7	120,033	0.6	—	—	—
Paints, Pigments, Varnish	130,440	0.5	125,658	0.6	162,623	0.8	—	—	—
Paper Goods Except Books	724,771	2.7	707,243	3.3	618,063	3.0	—	—	—
Perfumery and Other Toilet Goods	139,822	0.5	65,567	0.3	144,277	0.7	—	—	—
Rice	32,703	0.1	285,525	1.4	134,684	0.6	—	—	—
Shoes & Other Footwear	66,608	0.2	48,196	0.2	51,670	0.2	—	—	—
Silk	49,891	0.1	311,146	1.5	419,455	2.0	—	—	—
Silk, Natural	132,393	0.5	131,928	0.6	162,104	0.7	—	—	—
Soaps	86,336	0.3	87,842	0.4	97,918	0.5	—	—	—
Sugar	34,119	0.1	166,189	0.8	87,842	0.4	—	—	—
Tobacco and Manufactures	2,676,884	9.9	195,389	0.9	641,565	2.6	—	—	—
Wool	395,686	1.5	285,653	1.3	198,361	1.0	—	—	—
Wax	100,723	0.4	188,769	0.9	99,773	0.5	—	—	—
Wheat Flour	962,229	3.6	847,336	4.2	743,885	3.6	—	—	—
Wood, Reed, Bamboo and Other	113,316	0.4	58,978	0.3	149,650	0.7	—	—	—
Woolen Goods	87,854	0.3	104,380	0.5	96,621	0.5	—	—	—
Other Imports	1,688,781	6.3	1,426,371	7.1	1,616,144	7.1	—	—	—
Grand Total	P26,824,745	—	P20,635,595	—	P20,652,992	—	—	—	—

CARRYING TRADE IMPORTS

Nationality of Vessels	April 1938			April 1937			Monthly average for 12 months previous to April 1938		
	Value	%	Value	Value	%	Value	%	Value	%
American	P4,733,911	21.6	P3,469,333	17.7	P4,378,373	21.8	—	—	—
British	8,422,636	31.6	7,486,378	38.3	7,995,288	39.2	—	—	—
Chinese	1,079,422	4.0	597,169	3.1	63,701	0.3	—	—	—
Danish	2,132,827	8.0	2,016,741	10.3	1,389,570	6.5	—	—	—
French	787,826	2.9	1,244,414	6.3	1,804,659	8.8	—	—	—
German	11,282	—	8,600	—	1,482	—	—	—	—
Italian	1,375,338	5.2	2,698,370	13.3	2,074,391	10.1	—	—	—
Japanese	5,728,596	21.6	5,662,230	3.0	1,607,170	7.9	—	—	—
Panama	785,195	2.9	1,364,398	6.9	426,640	2.1	—	—	—
Philippines	36,287	0.2	46,969	0.2	50,971	0.2	—	—	—
Swedish	356,992	1.3	118,820	0.8	116,095	0.6	—	—	—
By Freight	P26,612,387	99.2	P19,549,896	97.6	P20,161,614	97.6	—	—	—
American Aeroplane	4,219	—	2,466	—	4,851	—	—	—	—
Spain	104,377	0.5	34,010	0.1	427,837	2.4	—	—	—
TOTAL	P26,824,746	—	P20,635,595	—	P20,652,992	—	—	—	—

EXPORTS

Nationality of Vessels	April 1938			April 1937			Monthly average for 12 months previous to April 1938		
	Value	%	Value	Value	%	Value	%	Value	%
American	P2,307,075	11.2	P12,794,922	44.1	P7,016,071	28.0	—	—	—
British	6,637,257	32.1	4,781,305	16.5	6,266,662	21.1	—	—	—
Canada	230,428	1.1	391,642	1.4	151,158	0.6	—	—	—
Danish	1,476,238	7.1	903,632	3.2	1,090,222	4.3	—	—	—
Dutch	966,566	4.7	438,785	1.5	1,036,564	4.1	—	—	—
German	1,010,985	4.9	662,690	2.3	764,902	3.0	—	—	—
Greek	—	—	—	—	—	—	—	—	—
Italian	66,521	0.3	88,275	0.2	167,620	0.7	—	—	—
Japanese	4,785,634	23.2	5,678,444	19.6	6,411,054	21.6	—	—	—
Norwegian	3,163,545	15.3	2,791,323	9.4	3,571,728	14.2	—	—	—
Panama	—	—	674,438	2.3	145,919	0.6	—	—	—
Philippines	201,640	1.0	154,004	0.5	366,009	1.4	—	—	—
By Freight	P20,646,871	99.6	P29,044,135	93.3	P25,055,584	93.0	—	—	—
American Aeroplane	912	—	968	—	4,743	—	—	—	—
Mail	90,579	0.4	2,086,438	6.7	2,192,377	8.0	—	—	—
TOTAL	P20,738,382	—	P31,096,739	—	P27,262,704	—	—	—	—

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

Ports	April 1938			April 1937			Monthly average for 12 months previous to April 1938		
	Value	%	Value	Value	%	Value	%	Value	%
Manila	P34,287,830	72.4	P32,904,185	64.1	P30,922,954	64.3	—	—	—

RAIL COMMODITY MOVEMENTS

By LEON M. LAZAGA

Traffic Manager, Manila Railroad Company

The volume of commodities received in Manila during the month of May 1938, via the Manila Railroad Company are as follows:

Rice, cavanes	122,172
Sugar, piculs	342,502
Copra, piculs	187,597
Desiccated Coconuts, cases . .	28,201
Tobacco, bales	1,864
Lumber, board feet	804,966
Timber, kilos	1,514,000



The freight revenue car loading statistics for four weeks ending May 21, 1938, as compared with the same period of 1937 are given (right):

FREIGHT REVENUE CAR LOADING

COMMODITIES	NUMBER OF FREIGHT CARS		FREIGHT TONNAGE		Increase or Decrease	
	1938	1937	1938	1937	Cars	Tonnage
Rice	589	667	7,800	8,073	(78)	(273)
Palay	131	91	1,642	1,166	40	376
Sugar	458	302	13,552	8,901	135	4,761
Sugar Cane	—	14	—	206	(14)	(206)
Copra	451	247	3,649	1,713	204	1,936
Cassanuts	106	71	1,089	696	35	393
Molasses	—	79	—	2,381	(79)	(2,381)
Hemp	7	4	39	27	3	12
Tobacco	13	10	80	92	3	(12)
Livestock	31	6	169	20	25	(149)
Mineral Products	418	338	3,533	4,060	80	(447)
Lumber and Timber	171	127	3,810	2,880	44	930
Forest Products	8	1	68	11	7	57
Manufactures	201	225	3,094	3,227	36	(168)
All Others including L.C.L.	2,702	2,776	18,326	17,177	(74)	1,148
TOTAL	5,325	4,957	56,920	50,640	369	6,280

SUMMARY

Week ending April 30,	1,251	1,267	12,163	13,850	(16)	(1,687)
" " May 7,	1,293	1,206	14,879	13,339	87	1,540
" " " 14,	1,307	1,315	15,145	13,061	62	2,094
" " " 21,	1,415	1,169	14,733	10,200	246	4,333
TOTAL	5,325	4,957	56,920	50,640	369	6,280

NOTE: Figures in parenthesis indicate decrease.

Copra and . . .

(Continued from page 46)

DESICCATED COCONUT—The desiccated coconut market was practically without change during the month. Production was a trifle heavier than in April and business in the United States slightly better with prices unchanged. Desiccated mills were not buying nuts heavily, which reflected itself in additional copra from desiccated districts available for Manila oil

mills. In New York stocks of desiccated on hand were beginning to move a little, but the situation was still somewhat top heavy at the end of the month.

Shipments of desiccated for May totaled 2,412 tons.

GENERAL—At the end of May general conditions in the copra and oil trade were most unsatisfactory. Copra was selling for definitely less than its true cost of production. Buyers of oil, although feel-

ing that present prices were eminently reasonable, were well stocked up and not anxious to take on additional commitments. Freight carriers of oil, copra, and cake were short of cargo and were soliciting trade. The whole situation was unpromising, and buyers and sellers alike were uncertain as to what they will have to face during the months to come, although nearly everybody was agreed that prices are about as low as they can be expected to go.

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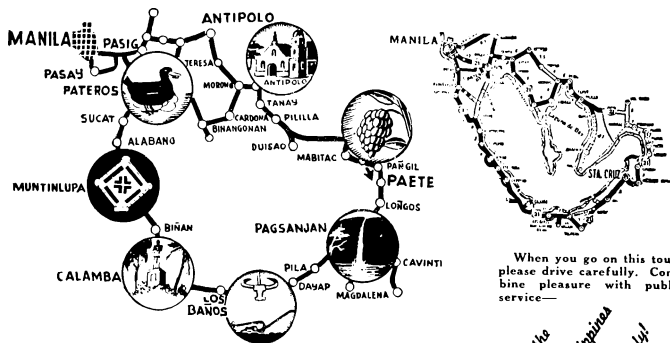
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A tour of important points close to Manila, as shown in the accompanying map, is one of the most delightful surprises a motorist will find in the Philippines.

Starting from Manila, the motorist may make for Pasig, richest suburb of the city, before driving directly to Pasig, capital of Rizal. From this point he may pay a side visit to Pateros, home of the duck industry and of manufacturers of the famous *balut*. Driving north to Antipolo, the tourist will not fail to notice the sylvan beauty of that mountain resort where thousands upon thousands of religious devotees make a yearly pilgrimage to consummate their vows to Our Lady of Peace and Good Voyage.

From Antipolo the motorist may drive straight to Mabita and see the "church with a hundred steps" . . . Pakil with its unique swimming pool . . . Paete famous for its luscious lanzones . . . and then to Pagsanjan to revel in the singular beauty of the Pagsanjan Falls, and to experience the thrill of "shooting the rapids." See also the thriving town of Santa Cruz, capital of Laguna, and Los Baños, where the College of Agriculture of the University of the Philippines, is located.

From Los Baños, the tourist goes direct to Calamba, birthplace of the most venerated Filipino hero, Dr. Jose Rizal, and where the world's largest earthen jar is found . . . to Muntinlupa where a modern insular prison building is now under construction, and while in Las Piñas be sure to see the century-old bamboo organ . . . returning to Manila after having spent a most enjoyable day seeing the beauty spots of the Laguna de Bay towns.

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