Sugar

By G. G. Gordon
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THIS review covers the period from January 31 to February 28.

New York Market: At the end of January, the market was easier and although the majority of sellers continued to hold for 5.80¢, there was an offer of 30,000 bags Puerto Ricos for shipment about February 24 at 5.78¢. However, buyers continued to be indifferent and gave no indication that they would be interested at 5.75¢. On January 31, 103 Cuban mills were reported as grinding, as compared with 113 grinding on November 30, 1949.

February opened with a sale of 50,000 bags Puerto Ricos, February shipment, at 5.78¢. However, on the same day there were further offerings of Puerto Ricos, Philippines, and Hawaiians at 5.75¢ without finding any buyer. All of this sugar, offered at 5.75¢, was due about the middle of March, except the Philippine parcel which was offered for February shipment.

On February 2 there were transactions at 5.70¢ for Cubas, February loading, and Puerto Ricos early March; 3500 tons Hawaiians due in February were also sold at the same price. The market was described as unsettled with a somewhat easy tone. Distribution of refined sugar continued to be below the level of 1949.

On February 3 the market was hesitant and some refiners indicated that their ideas were not above 5.65¢. There were some reductions in refined prices announced by both beet and cane refiners, and the other refiners were expected to follow suit within a few days.

On February 6 the Supreme Court upheld the constitutionality of congressional limitation on imports of refined sugar from Puerto Rico, Hawaii, and the Virgin Islands. It was announced that this decision wipes out any uneasiness regarding the legality of the 1948 Sugar Act. By February 6, 140 centrals were reported in operation in Cuba, which is exactly the same number grinding on the corresponding date in 1949. The Eastern refiners generally reduced their prices by 10¢ per cwt.

On February 7 it was announced that the Philippine Conference rate on raw sugar had been reduced from $12 to $11.50 per ton, effective February 3. The market continued to drag with sales reported around the 5.70¢ basis.

On February 8 the raw market developed a distinctly easier trend with the news that a large Cuban producer had sold 45 50,000 tons of Cubas, believed to be for March shipment, on the basis of 5.65¢. There were further sugars available at this price, but refiners indicated no better than 5.60¢. The market continued on the 5.60¢ level to February 10.

On February 15 there was a further decline and after a few lots had been sold at 5.60¢, indicated no better than 5.55¢. On this date 151 Cuban mills were reported grinding, compared with 156 on the same date in 1949.

On February 16 the market weakened to the 5.50¢ level and there were also considerable sales at declining prices on the exchange. On February 17, the market steadied after the decline, offerings were at 5.55¢ but buyers were not disposed to pay more than 5.50¢. To the close of the month, the market remained about this level. On February 28, sales were reported of Puerto Ricos, Cubas, and Philippines for March arrival at 5.50¢.

As of February 23, 157 Cuban mills were reported to be grinding, the same number as last year.

We give below the quotations on the New York Sugar Exchange as of February 23 for Contracts Nos. 4, 5, and 6:

	Contract No. 4	Contract No. 5	Contract No. 6
March	4.36	5.05	—
May	4.36	5.12	5.06
July	4.36	5.17	5.10
September	4.36	.18	5.13
November	—	—	5.14
January	4.29	—	—
March	4.09	—	—

Local Market: (a) Domestic Sugar. — During the month there was little change, quotations for centrifugal sugar, 97° polarization, being reported as ₱15 to ₱15.50. For washed sugar polarizing 99° quotations ranged from ₱18 to ₱18.50, same as in January.

(b) Export Sugar. — In accordance with the tendency in New York, the local export market declined during the month, quotations dropping from ₱13.85 on February 1 to ₱13.25 at the close of the month.

A considerable reduction has been made in the estimate of the current crop which is now placed at 736,808 short tons. This shows very little difference from the production of the previous year.

Manila Hemp

By Fred Guettinger
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OUR review covers the period January 16 to February 15, 1950. During this period there was a steady decline in prices in all consuming markets. The United States market opened on a weak tone, and remained pretty dull throughout the month. Little business was done. The United States Government is reported to have purchased small quantities for stockpiling. The market closed dull, with no demand and with declines ranging to 1¢ lower than at the opening.

New York quotations:

	Jan. 15, 1950	Per lb. c.i.f. Feb. 15, 1950	New York Change	Year Ago
Davao I	27–5/8¢	26–5/8¢	Down 1¢	30¢
Davao J1	27–1/4	26–3/8	Down 7/8	29–5/8
Davao G	25–1/4	25	Down 1/4	26–7/8
Non-Davao J1	25–1/2	24–1/2	Down 1	27–1/2
Non-Davao G	20–1/2	19–1/2	Down 1	22–5/8
Non-Davao K	16–1/4	15–3/4	Down 1/2	15–3/8

Demand from Europe was scattered and in total not large due to lack of dollars. Germany is reported to have received a dollar allocation for approximately 1,000 tons, mostly Non-Davao grades, but at the end of the period