Credit

By W. J. Nichols Treasurer, General Electric (P.I.) Inc.

E have had several indications that the amount of capital tied up in inventories and receivables is steadily increasing. There are several factors which have contributed to this condition. Increased buying and selling during the recent holiday season resulted in stocks and accounts which have not yet been fully liquidated. In addition, buying against the effects of import control has tended to raise inventories above normal. The situation does not appear to be alarming and we look for a general leveling off during the next few months but in the meantime it may well be advisable to keep a close check on the credit of customers who are apt to overextend themselves.

From a management viewpoint the ideal condition for a firm doing business on standard credit terms of, say, 30 days, would be to maintain accounts-receivable totals equal to about the same number of days' billings. This indicates that funds invested in receivables are being turned over regularly. As a matter of practice, however, it seems that there are always enough delinquent accounts on the books to streich the turnover to something less desirable. Certain government departments and agencies are not always, for example, overly prompt in paying bills within the specified period. Again, it is often good business to grant special concessions in some instances without altering regular credit terms. Although it is not an infallible yardstick, the rate of turnover of receivables is still a fairly accurate and useful measure of the efficiency with which capital is being employed.

Real Estate

BY C. M. HOSKINS C. M. Hoskins & Co., Inc.

ANILA real-estate sales were quite active in the number of transactions but low in total peso value during the month of January. Registered sales for the month aggregated P1,889,924, represented by 208 transactions, which is typical of post-war activity, but only two of the transactions, one of P200,000 and the other of P145,000, represented a price of over P80,000.

The unusually high volume in high-priced properties changing hands during the past two years seems to have represented in large part an adjustment process which is drawing to a close.

There were abundant offerings of large properties by pre-war owners who were attracted by the high prices, and also by many who were unable to finance rehabilitation of their warravaged properties and were forced to sell. There were a fairly large number of large properties sold

by those who were liquidating local fixed investments, or changing their investment portfolios, or settling estates of deceased persons. Most of the offerings in the foregoing categories have been readily absorbed, and sellers are now fewer.

On the other side, a large number of new fortunes have been made since liberation and the possessors of these new fortunes have been heavy buyers of large properties. How many of this type remain in the market is uncertain.

The heavy volume in lower-priced properties indicates a continued stability in real-estate values. There is no evidence of a decline in post-war price levels which have been established by repeated transactions.

Electric Power Production

Manila Electric Company System
By J. F. Cotton
Treasurer, Manila Electric Company

1941 Average — 15,316,000 KWH

January	<i>1949</i> 33,440,000 **	<i>1948</i> 27,301,000	
February		26,021,000	K
March		26,951,000	I L
April		26,871,000	0
May		28,294,000	W A
June		29,216,000	T
July		31,143,000	T
August		31,993,000	н
September		32,012,000	0
October		33,943,000	U R
November December		32,661,000 35,104,000 *	s
	TOTAL	361,510,000 *	

* Revised ** Partially estimated

Output decreased in January because of a 10-day shutdown of the *Impedance* for repairs. It should be noted, however, that despite this loss of capacity the January output exceeded all prior months except October and December, 1948.

January, 1949, output was 6,139,000 KWH greater than January, 1948, or an increase of 22.5%. The decrease from December, 1948, was 1,664,000 KWH, or less than 5%.

REAL ESTATE SALES IN MANILA, 1940-1948

Prepared by the Bureau of the Census and Statistics

Note: A large percentage of 1945 sales and a diminishing percentage of 1946 sales, represent Japanese Occupation transactions not recorded until after liberation.

	1940	1941	1945	1946	1947	1948
January	P 6,004,145	P 962,970	P 7,943,605	P 4,385,011	P 6,030,012	? 3,644,734
February .	918,873	779,783	1,337,830	2,267,151	7,217,317	3,879,633
March	1,415,246	1,532,104	(?)	2,622,190	7,166,866	4,243,719
April	883,207	988,380	213,262	1,916,293	8,611,076	5,021,093
May	403,866	1,129,736	962,008	3,684,937	4,618,181	3,129,799
June	542,187	598,431	1,212,780	3,637,956	3,988,560	8,019,246
July	1,324,861	559,742	1,123,565	4,974,862	4,097,183	5,146,529
August	1,905,828	1,239,414	699,740	4,438,510	5,627,572	6,192,876
September .	1,141,114	815,112	1,870,670	4,698,896	7,437,213	4,737,581
October	993,108	1,182,678	2,096,893	5,545,800	6,083,486	3,046,237
November .	938,416	858,235	2,555,4 72	3,340,384	4,177,054	5,386,248
December .	1,504,004	(?)	2,874,408	4,025,926	3,205,584	5,350,376
TOTAL	P17,974,844	P10,647,285	P22,890,133	P45,537,914	P68,260,104	₱57,798,121

Compiled by the Bureau of the Census and Statistics from data supplied by the City Engineer's Office.

моитн	1936 (Value)	1937 (Value)	1938 (Value)	1939 (Value)	1940 (Value)	1941 (Value)	1945 (Value)	1946 (Value)	1947 (Value)	1948 (Value)
February	720,110	479,810	434,930	1,063,050	P1,124,550 1,025,920	467,790	P =	P 1,662,245 2,509,170	3,270,150	6,827,005
March April	411,680 735,220	·	1,300,650 770,130	•	671,120 962,420	641,040 408.640	 462,020	3,040,010 3,125,180	3,398,910 8,295,640	7,498,560 7,370,292
May June	400,220 827,130	670,350	1,063,570 754,180	1,139,560 809,670	740,510 542,730	335,210 418,700	1,496,700 2,444,070		5,564,870 5,898,580	8,570,410 10,217,840
July August	302,340 368,260		756,810 627,790		357,680 661,860	609,920 306,680			9,875,435 7,428,260	7,771,487 7,568,950
September	393,100	777,690	684,590	554,570	590,380	530,830	1,015,250	7,326,570	7,770,310	7,095,860
October November December	663,120 460,720 648,820	320,890	718,190 972,310 503,230		738,700 485,100 333,490			4,373,390	6,747,240 7,088,283 4,924,320	5,368,800 3,424,125 4,507,580
TOTAL !	6,170,750	₱7,530,690	P 9,280,560	P 9,053,250	P8,234,460	P 5,692,273	P12,186,150	2 47,526,905	P73,907,248	P82,792,569
Annual Average	514,229	627,557	773,380	754,438	686,205	474,356	1,015,513	3,960,575	6,158,937	6,899,381

Ocean Shipping

By F. M. GISPERT Secretary, Associated Steamship Lines

TOTAL exports for December, 1948, amounted to 189,166 tons, which was considerably more than the 150,846 tons exported during December of the previous year.

The shipping strike on the United States Pacific Coast caused no falling off in exports; in fact, the 189,166 tons lifted during December was more than the 179,766 tons carried during the previous month of November.

Principal commodities exported during December, 1948, as compared with December, 1947, were:

	1948	1947	
Alcohol	40 tons	_	
Coconut, desiccated	8,701 "	8,425	tons
Coconut oil	5,670 "	5,204	1)
Concentrates, copper .	2,400 "	_	
" gold	186 "	214	29
Copra	52,708) "	55,549	**
Copra cake	3,977 "	2,240	**
Embroideries	117 "	59	**
Empty cylinders	216 "	249	"
Furniture, rattan	493 "	624	,,
Gums	92 "	93	**
Hemp	/45,805\bales	45,232	bales
Household goods	134 tons	55	tons
Junk metal	4,665 "	1,177	23
Карок	75 "	101	**
Logs	/1,208,197 bft.	595,878	bft.
Lumber'	(3,986,938) "		
Molasses	(13,066) tons	_	
Ores, chrome	(26,500) "	20,500	tons
" iron	(16,196) "	—	
" manganese	4,748 "	_	
Rattan	186 "	228	tons
Rope	377 "	233	P1
Rubber	135 "	134	"
Skins and hides	208 "	_	
Sugar, raw	(19,998) "	17,500	26
Transit cargo	5 7 "	_	
General merchandise .	(11,558\"	14,711	**

Port of Manila

BY R. L. BARY General Manager, Luzon Brokerage Company

CONGESTION on the piers and within the customs area is a condition which will probably recur from time to time in the future, and is one which will not be easily solved in spite of sincere efforts on the part of the Philippine Ports Terminals Company, customs officials, and customs brokers.

With Pier 9 not available for use and with the lack of overhead cranes, rush periods will cause confusion, a fact recognized by all interested parties. All freight-handling agencies must cooperate to improve the situation as much as possible.

On January 24 this matter was discussed in a two-hour meeting between Commissioner of Customs Jose de Leon, Philippine Ports Terminals Company officials, harbor police, the Arrastre Advisory Committee, and customs brokers. Recommendations came from all interests present and are being considered. It is the hope of the customs brokers that action will be taken for the alleviation of the situation both for the benefit of themselves and their customers.

Careless piling of cargo on the pier has occurred in the past to the extent that truck lanes were blocked, but this has already been stopped by means of controlling the rate of discharge of the ships. Traffic control is being considered with the view to adopting measures to speed up movements of cargoes on the piers and within the area. Apparently the Philippine Ports Terminals Company has enough laborers and equipment on the piers to meet the cargo-handling problem, but measures were discussed for better coordination between customs brokers and the Philippine Ports Terminals Company so as to have men and equipment available where and when needed. Within a short time definite controls should be in operation.

One of the major losses of time has been in the checking of cargoes moving through the gates, and it was suggested that additional men check the trucks, several at a time, before the gates are reached, and trucks be allowed to pass through the gates on presentation of a pass showing that inspection has been completed and that its load is in order.