

Against these quotas the following shipments were made:

	1947	1948	1949	Total
Helena Cigar Factory . . . . .	336,495	28,128	22	364,645
Alhambra Cigar and Cigarette Factory . . . . .	3	—	—	3
Aguado Hermanos . . . . .	—	—	—	—
Bunning & Co., Inc. . . . .	817,907	186,096	330,605	1,334,608
Go Fay & Co. . . . .	—	—	—	—
Manila Tobacco Trading Minerva . . . . .	13,500	—	—	13,500
By Mail . . . . .	—	—	—	—
Government Disposition . . . . .	53	9	1,000	1,062
<b>TOTAL SHIPPED</b> . . . . .				<b>1,713,818</b>

From this it can be seen that in about 2½ years during which a total of 16,250,000 lbs. should have been shipped in order to fully cover the quota, only 1,713,818 lbs. were delivered, or 10.55% of the total.

The reasons for the inability of the quota holders to fill their quotas were:

1. United States buyers are almost exclusively interested in stripped tobacco from Cagayan and Isabela.

Weather conditions in these provinces during the past three years were so unfavorable for tobacco that only 1/3 to 1/2 of the normal crops were produced although farmers put out enough seedlings for harvesting crops of from 250,000 to 300,000 quintals.

These crop shortages together with the fast-diminishing stocks of previous crops caused prices to rise beyond those which American buyers were willing to pay. In other words, Philippine tobacco priced itself out of the American market.

2. Ocean freight charges were increased to such an extent that the charges to the U.S. East Coast are now 40% higher than those to European North Atlantic ports, which fact contributed to the high c.i.f. costs which Philippine producers had to ask for their stripped tobacco.

3. Stripped tobacco pays 3 different government fees:

- P0.50** per 100 kilos Internal Revenue Inspection fee before the tobacco is stripped.
- P1.00** per 100 kilos Internal Revenue Inspection fee when the stripped tobacco is exported.
- P0.55** per 100 kilos License fee to the Philippine Sugar Administration.

The outlook for covering the quota for 1949 is not encouraging.

Advance information received from United States buyers indicates a substantial reduction in prices which would force the Philippine producers of stripped tobacco to buy at considerably lower prices than last year. Whether this will be possible, is difficult to say at this moment.

As every quota holder, old or new, has to face the foregoing facts, we believe that the inability to cover the entire quota, or a large part of it, cannot be met simply by a redistribution of the quotas, but only by adjusting the price of leaf-tobacco to the realities of the world market.


## Food Products

BY C. G. HERDMAN  
Director, Trading Division  
Marsman & Company, Inc.

THE principal item of interest in imported food-stuffs at present is the very heavy arrivals of wheat flour and canned milk in the Islands during the month of June. Visible flour stocks today are sufficient to cover consumers' requirements until the end of September at least. The market is very heavily overstocked. There has been very little ordering done by importers these several weeks and it is unlikely there will be any ordering in volume before late August. The very considerable disparity in price between Canadian and American flour is also to be noted. Canadian flours are being offered, after making allowance for Customs import duty, at prices from \$0.25 to \$0.50 per 100 pounds cheaper than equivalent American grades. The government loan value on wheat in the United States maintains an artificial price so much higher than in other wheat-producing countries that American export flours are being priced out of the market, and unless some method of subsidy or other protection for American flour exporters is arranged, it is apparent that a very large portion of the business they have previously enjoyed will pass to Canada.

As regards canned milk, the stock situation is very much the same as in flour. There have been

Here is your  
**NEW UNDERWOOD TYPEWRITER**



with  
**RYTHM TOUCH**

You'll sense something different when your fingers touch the highly responsive keys. It's Rhythm Touch . . . to make your typewriting easier.

Your fingers will find comforting ease in the lightning key response. You'll note better-balanced finger action . . . the free-and-easy rhythm of Underwood's finest typewriter . . . the popular choice of secretaries and executives.

With Rhythm Touch . . . plus other new refinements . . . you get all the time-tried famous Underwood features . . . they make typing easier. See this new Underwood Standard Typewriter . . . with Rhythm Touch . . . NOW!

REGISTERED DESIGNERS IN THE UNITED STATES  
**SMITH, BELL & CO. LTD.**  
TRADE AND COMMERCE BLDG. MANILA  
BRANCH OFFICES: Cebu, Iloilo, Baguio, Legaspi, Davao

very heavy arrivals during the last 60 days not only of the well established brands in the market but also miscellaneous brands from California which ordinarily enjoy only a very small sale here. This California milk for some little time now has been offered at prices from \$0.45 to \$0.75 per case, c.i.f. Manila, lower than for the established brands. Information is that California condensaries are carrying very excessive inventories of milk and are forced to unload regardless of loss. As in the case of flour, milk stocks actually in the Islands today are sufficient to fill consumers' requirements for at least 90 days.

Import controls for the second half of 1949 have been extended to include additional commodities beyond those previously listed and the quotas established for the first semester of the year in many cases have been reduced for the second semester. An item seriously affected in foodstuffs is vegetables. According to a circular just issued, all forms of vegetables are now placed on the restricted list and importation will only be permitted up to 60% of the quantities imported during the basic period. Incidentally, the basic period importation has been changed and is now fixed as the average annual importation of each importer during the three calendar years 1946, 1947, and 1948. According to the circular, vegetables in all forms will be placed under license and this includes such related items as canned vegetable soups, although pickles and condiments are specifically excluded. Potatoes are also excluded from the heading of vegetables and free import will be permitted. Onions which had been restricted for the period of May and June only, are now to be restricted until the end of 1949. *It is generally considered that the proposed restriction on imports of vegetables — both fresh and canned — will work a very serious hardship on the public in general as the local production of fresh vegetables is far from sufficient to fill the needs of the public. A decided shortage of vegetables and possible profiteering on the part of dealers is generally forecast.*

There is no change in the status of canned fruits except that the importation of canned pineapple has been restricted to 10% of importations during the basic period. This will not work any hardship at all on the public as the California Packing plant in Mindanao could easily furnish far greater quantities than the total consumption.

The canned and bottled beer quota previously fixed at 60% of importations during the basic period has now been reduced to 40% only.

Wholesalers continue to report sales as being very limited in quantity. Retailers, however, report a slight pick-up of sales during the last week and expect a material increase this month with the opening of the public schools.

## Automobiles and Trucks

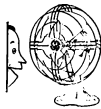
BY C. HAROLD HELLING  
General Motors Corporation

UNITED STATES automobile and truck production reached 2,493,670 units during the first five months of 1949, a record mark, surpassing the 1948 mark for the same period by approximately 500,000 units.

No need to be  
**MISERABLE!**

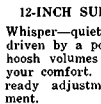


**COOL OFF**  
with G-E FANS!



### 10-INCH SUPER-QUIET FAN

Plenty of cooling air whirled your way by quiet Vortalex blades—exclusive with G-E fans. Sturdy, streamlined blade guard. 2-speed switch. Felt-covered base.



### 12-INCH SUPER-QUIET FAN

Whisper-quiet Vortalex blades, driven by a powerful G-E motor, hoosh volumes of cooling air for your comfort. 3-speed switch, for ready adjustment of air movement.



**AMERICAN FACTORS (PHIL.) INC.**  
MARY BACHRACH BLDG 25th ST. PORT AREA TEL 91

Hotpoint radios make tuning in Over DZRH, let's make it a date  
A real nice treat on "Spell to Win." Every Sunday night at eight.

The  
**BACHRACH MOTOR CO., INC.**

PORT AREA, MANILA

★  
**NASH-ENGLISH AUSTIN**  
AUTOMOBILES

★  
**WHITE-FEDERAL-NASH**  
TRUCKS

—OPERATING—

**RURAL TRANSIT**

PASSENGER—FREIGHT SERVICE

BETWEEN

MANILA—APARRI  
AND

**BMC TAXI CABS**