

Debits to Individual Accounts (monthly averages)

*June, 1948 P113,944	(000 omitted) **May, 1948 P117,993	June, 1947 P96,963
-------------------------	------------------------------------------	-----------------------

Currency in Circulation (monthly averages)

June 30, 1948 P810,780,079	May 31, 1948 P798,775,645	June 30, 1947 P716,447,804
-------------------------------	------------------------------	-------------------------------

*Compiled from reports to June 19 only, to be corrected in next issue.
**Corrected figures.

The September contract for New York Sugar closed the period at 5.21, as compared to 5.18 a month ago. Advances from New York dated July 16 reported production from Cuba at somewhat over 6,655,000 short tons, with one mill still grinding. Pressure on the Agriculture Department to increase the United States sugar quota, caused some trade members to adopt a waiting attitude pending further action in this direction.

American Stock and Commodity Markets

June 27 to July 27, 1948

By ROY EWING

Swan, Culbertson & Fritz

THE feature of the New York stock market during the past month was the sharp break between July 14 and 19 when the Industrial Average declined from 190.66 to 181.20. The crisis in Berlin and the resulting threat of war was undoubtedly the main influence. Previous to this break the market had acted well, especially the Rails, which Average went up to 64.95 on July 14, a new high since 1946. Since the 19th, moderate rallies have brought the Industrial Average back to 184.17 at present writing.

In addition to the international situation, there were other bearish market influences. The inflation spiral was boosted by Big Steel's wage increases, which followed similar previous hikes in the motor, railroad, coal mining, and other industries, with resulting rises in prices; there was nervousness over the special session of Congress, and the effect to some industries of the bumper crops (see below). On the bullish side were continued reports from numerous companies of record high earnings and dividends. The United States employment figure was at a record all-time high, as were several other business indices. Consumer spending was on the increase and acting as a cushion. As yet to have its effect, was the Marshall Plan and the defense spending, which is still in the allocation stage.

From the 1948 lows in February and March, to the highs in June and July, the Industrial Average rallied 27.77 points, the Rails 16.82. The recent break erased 43% and 32% of these respectively. According to the Dow Theory, a normal secondary reaction retraces from one-third to two-thirds of the previous move, so the recent break is well within these limits. As pointed out in this column last month, a break in the Average to between the 180 and 185 levels would, according to the Theory, be a buying spot, and we continue to hold to this opinion. As confirmed by the Averages in May, the primary trend is bullish.

Commodity prices were mixed but generally easy. New York spot Cotton is 33.90 today as compared to 37.26 on June 28, the gradual drifting toward loan level being a result of good to excellent crop news. Export prospects were reported a little brighter, but European Co-operative Administration business was slow in developing. July Wheat in Chicago declined from 232-1/4 on July 1 to 225-1/4 on July 16, but rallied sharply to 236-1/2 on July 23, the expiry date for July contracts. The Department of Agriculture's latest estimate predicted the second biggest harvest in history. Chief support was due to known export needs and indications that large amounts will be impounded under the loan. July Corn also declined from a high of 222-3/8 on July 1 to 199 on July 10; it rallied to 212 on July 23. The Government's estimate was for an all-time record crop, 2% above 1946. A strong livestock market with both cattle and hogs touching all-time highs at Chicago, was a favorable influence.

Manila Stock Market

June 18 to July 15, 1948

By A. C. HALL

A. C. Hall & Company

MINING SHARES

MINING shares have drifted steadily downwards during the past month under mild but persistent pressure.

The principal bearish factors were the Court of Industrial Relations decision in the Consolidated Mines case, issued around the middle of June, and, latterly, the worsening Berlin situation.

In regard to the former, there is apprehension that the decision may set a pattern for the entire mining industry. As some mines are already staggering under high costs and war losses, any additional burden at this time would be unfortunate.

The case in question was submitted to the Court in March, 1947, and remained pending for a period of about 15 months. The Union received a substantial wage increase which was made retroactive to May, 1947. In addition, the Company was ordered to pay a wage bonus of 50% on all work performed between sunset and sunrise. The estimated cost of this decision is approximately half a million pesos. The Company has filed a petition for reconsideration.

At today's closing level, the market average is once again in the area of the year's lows. In view of the worsening international situation, it appears that some further decline is likely.

	HIGH	LOW	CLOSE	CHANGE	TOTAL SALES
Manila Stock Exchange Average	102 87	93 51	94 41	Off 9 06	
Acoje Mining Company	P 355	P 34	P 32	Off 03	119,000
Antamok Goldfields	02	02	02	Off 005	149,778
Atok-Big Wedge Mining Co.	72	66	67	Off 05	217,500
Baguio Gold Mining Co.	044	044	044	Up 004	20,006
Batong Buhay Gold Mines	0058	0054	0054	Off 0004	1,070,000
Coco Grove, Inc.	023	023	023	Unchanged	20,000
Consolidated Mines, Inc.	013	0115	0115	Off 0015	6,720,000
Icogon Mining Company	08	075	08	Off 01	200,000
I. X. L. Mining Company	0775	0775	0775	Up 0075	120,000
Lepanto Consolidated	79	75	76	Off 03	250,000
Masbate Consolidated	042	04	04	Unchanged	70,000
Mindanao Mother Lode Mines	80	65	67	Off 15	312,000
Misamis Chromite Co., Inc.	275	25	275	Off 005	210,000
Suyoc Consolidated	035	032	032	Up 002	155,000
San Mauricio Mining Co.	25	195	21	Up 025	151,000
Surigao Consolidated	37	34	32	Off 04	309,433
United Paracale Mining Co.	0825	0775	0775	Unchanged	85,000