

# Commerce Bureau's New Trading & Exchange Center

*Interesting craft products, some well stocked stalls of goods, office of the Manila Stock Exchange*

The trading and exchange center of the commerce bureau was opened officially in August with ceremonies the main feature of which was an address by Governor General Frank Murphy, and immediately business began. The big drawing card is at the left of the main entrance on Cervantes plaza, the Manila Stock Exchange. Here the member brokers gather at the opening market hour every morning, 10 o'clock, for the trading that establishes the day's opening at their respective offices and fixes norms for the day. Trading persists from 10 to 12 mornings, 2:30 to 3 afterwards. Bedlam over mining stocks closed the exchange Friday, September 1, until Monday, September 4, because transfers in response to sales were far behind on the mining companies' stock books.

That shows interest enough in that department. The main advantage of the exchange is the rules by which it can compel all members to operate, the second is its facilitation of trading among the members, the third is the tally its board constitutes on the market.

Of the trading center and exchange as a whole,

Director Tomás Confesor of the commerce says:

"It is to serve as government agency for in Philippine-made goods, and exhibition hall. Only the Philippines are sold. Makers and producers of such articles in all provinces have been invited to send stocks of their wares, and more than 200 manufacturers, big and small, have thus far responded to this appeal for cooperation in solving their market problems.

"The commerce bureau takes care of the sale of all merchandise received, including the finding of permanent agencies and distributors for the manufacturers. It is hoped by this means to introduce all kinds of Philippine articles to the buying public, and to build up a larger trade in them. Of the 2 sections of the exchange department, the produce exchange is run and administered by the bureau, and the stock exchange is run by the Manila Stock Exchange.

"In the produce exchange, staple products including rice, sugar, copra, tobacco, hemp, corn, beans and other farm prod-

ucts are handled. Sel- stocks to the ex- ced on the basis ings are free and ship- the is- sales

lers bring samples of their change and trading is effective of these samples. Deal- and open, producers pers anywhere in lands can make through this exchange; many requests

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Photos

for information are being received, showing public interest."

Manufacturers using the exchange as a sales store take up the sales made in their books, for purposes of the sales tax, but, as at the public markets, producers using the exchange pay no sales tax. (In this activity of the exchange grows very much, supervision to see that the sales tax is not evaded will be necessary). Cebu mangoes, of prime flavor, were bought at the exchange at ₱0.80 a dozen; smaller than Cavite or Bulakan mangoes, their flavor was better. Other fruits of good quality were for sale when a visit was made to the exchange.

Among craft products that drew attention were glazed pottery and Paete wood carvings. Many abaca products were for sale, but it hardly seemed right to have the rope advertised as from the only Filipino factory; surely all the rope factories here are on the same commercial footing, and none has any advantage under the law. It behooves them to stand together, for rope made in Japan from Manila hemp is being imported here, paying the duty and being sold below the current prices for rope locally made. This means, at the least, that Japanese cordage manufacturers are challenging Manila rope in the general market.

That is a real challenge.

The produce exchange has sold several lots of rice for a producers' association at Sto. Domingo, Nueva Ecija. On the day one of these sales took place the price of palay at Sto. Domingo was ₱2.30 a sack of 44 kilos. Two sacks of palay mill into 1 sack of rice, of 57 kilos, with 1 kilo over. The association mills its own rice, milling cost of 2 sacks, ₱0.20; transportation to Manila, ₱0.40; sack and handling expense, ₱0.20. This made an all-in cost of ₱5.40 for 1 sack of rice, the same price the exchange was able to sell it for without a sales commission. But there was the extra kilo of rice, worth ₱7.10, and by-products, bran and broken grains, worth ₱0.15; so the association had a net profit of ₱0.25 a sack from selling its rice through the exchange.

Again, if this activity grows it would seem the exchange would have to charge its patrons a commission to cover the cost of the service. This is contemplated, it was said. A commission of 5% on the rice sale noted above would have wiped out the rice growers' profit and taken 2 centavos more. "This suggests some of the problems still to be worked out. Just beginning, the exchange as well as the trading center is admittedly an experiment in aid of primary producers and local manufacturers. As it finds its way along without encroaching on established tax-paying commerce to the latter's injury, it is to be wished success. As a mere exhibit, the trading center is well worth visiting. The furniture exhibited on the second floor includes excellent rattan furniture for which orders may be placed. There is also hardwood furniture.

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