

basis DA/I at 26-1/4¢, DA/J1 at 25-1/4¢, and DA/G at 23-3/8¢. The local market continued to advance due to keen competition among exporters, and prices advanced rapidly to DA/J1 at P56 per picul, establishing a record price for Davao hemp. The rest of the period witnessed a firm market, which closed at the following prices in Davao: F—P62, G—P54, H—P41, I—P61, J1—P58, S2—P58, S3—P50, J2—P50. Sellers in New York were offering at the same time on the basis of Davao: F—26-7/8¢, G—24¢, I—26-1/2¢, J1—25-1/2¢, S2—25-1/2¢, and S3—22-1/2¢.

The market closed on a very firm note.

In the non-Davao areas, the better grades of hemp continued in small supply; low grades dominated the area. These continued in poor demand; and contrary to Davao grades, the non-Davao grades were extremely quiet as a result. Starting out nominally at P40 per picul for J1 loose, the market moved slowly upward to a price of P41.50, where it closed on a quiet note. Sellers at the close were offering J1 at 20-1/2¢ in New York, and J2 at 15-1/4¢, K at 14-3/4¢, but met with little success.

The firmness of the market during November was somewhat justified by statistics of the Fiber Inspection Service. Production for the entire Philippines was only 52,741 bales—a slump of about 20,000 bales from the October production. This brought the pressings for 1947 to 731,501 bales. Not much improvement is expected during December, and it now appears that the total will not exceed 800,000 bales.

Davao accounted for only 21,966 bales of the November production—the lowest of any month this year. The Bicol region of the non-Davao area showed also a drop of about 10,000 bales from October production. Three rather bad typhoons swept through these provinces during November, which greatly handicapped the stripping of fiber. The end of November still found the planters salvaging fallen coconuts and a badly flattened rice-crop, which makes the production prospects of hemp in this region for December rather discouraging.

Chemical Products

By PAUL F. ARNAULT

Philippine American Drug Company

IN the field of chemicals, a rapid backward glance to the business conditions which have prevailed here since the war permits the following summary:

By the end of 1945, at the time when United States price-control was still strict, production was maintained in high gear, and the world-demand for chemicals was not yet so evident, importers in the Philippines knew a brief fortunate period when things were obtainable and at prices which resembled those of 1941.

In the course of 1946, first due to strikes, then to the lifting of price-control, a number of shortages became more acute and prices began to rise.

During 1947, prices advanced further, and by the middle of the year a tendency was observed for the removal of a number of the remaining price-controls. At the same time, increase of production brought in an improvement in deliveries. However, during the latter part of the year, due to the world political situation, a greater number of shortages developed.

It would be wrong to conclude from the general impression that the situation in the Philippine market in chemicals, is a simple one: a situation where demand is invariably in excess of supply!

Considered from the viewpoint of experienced importers and dealers in chemicals, the local market situation is often paradoxical. For example, instances have been numerous in the course of 1947 when the market has given signs of over-supply or has registered deteriorating local

quotations on commodities considered as short in other markets of the world.

Several reasons may be given in explanation of this. In the first place, it must be remembered that the Philippine market is still a small market, especially for industrial chemicals, hence it is extremely susceptible to any over-abundance, even momentary. Also, in the field of chemicals, as in that of consumer-goods, the fact appears that in this post-war era many people in the Philippines have eagerly striven to become importers, thus introducing an element of speculation and poorly considered ordering.

Another factor making for a sluggish market in a number of industrial chemicals, is that the recovery of local manufacturing industries has unfortunately been delayed in some cases or even defeated. To name only a few of the untoward conditions, one may mention the difficulty of obtaining machinery and certain key-materials; the delay in war-damage compensation; the high cost of skilled labor. One must recognize, too, that the establishment of a sound economy is a slow process in all countries which, in this war, have suffered both invasion and inflation.

It would be much beyond the scope of this brief article to make any kind of technical analysis of the import, consumption, and price of chemicals in the Philippines. A summary of the local trends, in connection with the main categories of chemicals must suffice:

Pharmaceutical chemicals. The supply on the Philippine market is generally adequate and prices present, on the whole, a satisfactory steadiness.

Laboratory chemicals, organic chemicals, dyes. No improvement has been registered in 1947 as regards deliveries from the United States, and prices are definitely on the up-trend.

Fertilizers. Hardly any progress has been made toward a sufficient supply for this market due to world-shortages and restrictions on exports by the manufacturing countries.

Chemicals used in the food industry. Restricted exports characterize the sale of chemicals obtainable from America. However, these restrictions will not be too severely felt in the Philippines as long as, against the imports of finished products, a larger Philippine production of manufactured foodstuffs does not start. The sugar industry is fortunately not hampered by any particular shortage in chemicals, except, of course, in fertilizers. The vegetable-tard industry is, on the contrary, placed in a difficult situation due to the shortage of other vegetable fats than coconut oil which are necessary in the manufacture.

Industrial chemicals. Many shortages persist in supplies from abroad, but the picture of local stocks and conditions is extremely changeable, as we have already mentioned, due to some inconsidered imports and the rather sporadic consumption, directly bound to the state of local industry, whether in mining, textile, rubber, and soap manufacture, canneries, or any other.

If chemicals are imported in reasonable quantities, and if the rehabilitation and development of Philippine industry improves in the near future, then business here, as far as chemicals are concerned, should rest on a sounder foundation.

Textiles

By JAMES TRAYNOR

THE arrivals of textiles from the United States during the month of November were estimated to be about 30% higher than the arrivals during October. The arrivals from Shanghai during November were about the same as October. There were no arrivals reported from Japan during the month of November.