Industrial Metals Prices Current

(By The United Press)

NEW YORK, Sept. 15.—Continued brisk activity has benefited non-ferrous metal prices during the past month and brought steady price increases on the American markets, according to the monthly averages of the magazine Metal and Mineral Markets.

There has been considerable interest in copper and some observers anticipate a boost in the domestic price late in the fall. The domestic refinery price has held steady at 13.775 cents but the foreign market was stimulated during August on rumors of an impending advance in price. The average export price during August was about 1/10 of a cent above that which prevailed in July.

Domestic copper sales have been averaging about 30,000 tons a week for several weeks. Available figures for the past year show that the steady increase in copper production still continues. Production in the United States during the first six months of this year totaled 510,319 short tons as compared to 346,698 tons in the same period of 1936. The market feels, however, that consumption has been gaining at about the same ratio as production.

Continued demand for lead in excess of offerings by producers strengthened the market in August, and producers on Aug. 5 raised the price 1/4 cent. Buying was in good volume, averaging around 11,000 tons per week.

Publication of reports that zinc stocks had again declined in an already bare market, caused renewed demand for the metal. This sudden wave of buying in mid-August resulted in some business at 7-1/4 cent, St. Louis, but most transactions continued at the seven cent level until late in the month when transactions brought around 7-1/4 cents regularly.

Total stocks of zinc of all grades at the end of July were placed at 13,561 tons, which compares with 14,081 tons on the month previous and 88,517 tons in July of 1936. Production of zinc in the United States in the first seven months of 1937 totaled 337,771 tons, against 298,578 tons in the same period a year ago. As much as 15,000 tons of foreign zinc was sold to domestic buyers during August. Most of it was for September-October delivery.

The domestic tin market was fairly active, reflecting improvement at London. This interest became less apparent in the latter part of the month and prices for the month averaged about 1/4 cent above the July average.

Freer offerings in London brought a sharp reduction in quicksilver and the price at New York was reduced $2.50 per flask.

The chrome market has found a steady source of buyers during the past several months. Imports of chrome ore into the United States for the first half of this year amounted to 221,359 tons, valued at $3,073,060.

By Hillier Krieghbaum
(United Press Staff Correspondent)

WASHINGTON—Japan can produce in adequate quantity only one of five basic metals needed for war materials, a study by the national resources committee reveals.

It is copper, production of which equals apparent consumption, while pig iron, lead, zinc and aluminum must be imported in large quantities.

As the report was published, Senator H. Styles Bridges, Republican, New Hampshire, asked a senate military affairs sub-committee to investigate the scrap steel resources of the United States "so that Congress can pass laws and destroy this traffic in death" by banning scrap steel exports.

The national resources committee study for 1932, a typical year, showed copper production in Japan at 76,000 metric tons while apparent consumption was only 75,000 tons. Japanese factories imported 2,000 tons of copper ore while 3,000 tons of finished products are sent to Asia and Europe.

China was listed as a "minor producer" of copper, and statistics were not included in the study.

In pig iron, Japan is dependent for imports from—of all nations—China. Domestic pig iron production in Japan was set at 1,200,000 metric tons while the nations consumption was estimated at 1,600,000 tons. Of the 400,000 tons imported by Japan, approximately 300,000 tons in 1932 came from China while 100,000 tons came from India.

Japan was heavily dependent on foreign nations for its lead. Domestic production was only 4,000 metric tons while consumption was placed at 61,000 tons. Of the 57,000 tons imported, Canada and the United States supplied the bulk. Australia and Mexico were other contributors.

In zinc, Japan produced only 10,000 metric tons while consumption was 50,000 tons. Canada and Australia were leading nations selling metal to Japan while Australia, China and the Soviet Union sold the Nipponese zinc in the form of metal.

All of Japan's aluminum consumption of 8,000 tons was imported from Europe, Canada and the United States.

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AVERAGE METAL PRICES FOR AUGUST, 1937
(By United Press)

		Gain or Loss from Aug.
Copper		
Electrolytic, Domestic, refinery	13.775	Unchanged
Electrolytic, Export, refinery	13.926	+0.109
London, Standard Spot	57.143	+0.731
London, Electrolytic, bid	63.595	+0.788
Lead		
New York	6.452	+0.452
St. Louis	6.302	+0.452
London, Spot	22.606	−1.326
London, Forward	22.670	−1.033
Silver and Sterling Exchange		
Silver, New York, per oz.	44.750	Unchanged
Silver, London, pence per oz.	19.848	−0.136
Sterling Exchange, "checks"	498.043	+1.461
Zinc		
St. Louis	7.192	+0.269
London, Spot	24.140	+1.572
London, Forward	24.290	+1.597
Tin		
New York, Straits	59.465	+0.220
London, Standard Spot	264.595	+1.055
Other Metals		
Gold, per oz., U. S. price	$35.000	Unchanged
Quicksilver, per flask	$91.423	−2.481
Antimony, domestic	15.327	+0.524
Platinum, refined, per oz.	$51.000	+0.885
Cadmium	142.500	Unchanged
Aluminum, 99+% per cent	20.000	Unchanged
Chromium		
Chromium, 97%, per pound	85.000	Unchanged
Manganese Ore		
52 to 55%, c.i.f. Atlantic ports	40.000	Unchanged

(Domestic quotations, unless otherwise stated, are in cents per pound. London averages for copper, lead, zinc and tin are in pounds sterling per long ton. Sterling exchange, checks, is in cents. New York silver is for foreign metal.)

China money that comes across the channel will be fright money fleeing the wrath of Japan.

When panic overtook the small fry and they began se.ling in order to salvage some, if only a part, of their gambling funds, smart operators began cleaning up by selling short. This sinister activity, which nothing can prevent, depressed the market artificially and still continues as a depressing influence on trading. When folk would buy freely, there were sly schemes practiced to make them buy high; as soon as their main wish was to sell, they were whipsawed with other sly schemes to compel them to sell low and provide the smart boys the customary neat profit. The same eloquence that inflated board values was equally effective, when advanage lay that way, in deflating them. Besides, of course, at the necessary moment, even big traders operating on margin had to sacrifice and cover or be sold out.

It was prompt and ruthless liquidation, great pickings for the fellow with nerve enough to sell short.

It added to the depression of the mraket.

This may be sufficient summarization of reasons why the mining-shares market in Manila is depressed. More pertinent is the question, when will it revive.

The answer is, when it turns more thoroughly respectable; when it gets to be a sort of gentlemen's club with a set of ethics and careful rules governing applicants for membership. That is to say, when new ventures come authentically vouched for by the government; that to the property they would lease there are no adverse claimants, that the ascertained values in this property are so much, certified by the mines bureau, and that upon these data, the Commission has authorized stock to be offered the public. But revive, have we said? No, not revive to boom proportions of any sort, but merely, revive by slow convalescence to the point nonspecultive levels. Thousands and thousands of former sardine-size plungers in the penny stocks will never interest themselves in mining shares again. The animation of their presence in the market will never return, and hence speculation will never soar to the dizzy heights it reached last year; for all of which, thank goodness.

After all, the Philippines are a small country, comparatively. Every Manila activity is eventually whittled down to proportions the country is capable of utilizing. In the early '20s it was coconut-oil manufacturing, ten years later it was sugar-milling, and now it is mining and the vending of mining shares. But just think of a country economically resilient enough to recover from such spells of madness, and in short order at that! However often the Philippines hit the canvas, it is never for the count, and they always spring up smiling. Nevertheless, this time there is call for fair-dealing. Would not prohibition of low par-value stocks be corrective, and would it not make Philippine stocks more attractive abroad? The speculation went entirely too far, and not stopping at the raising of sufficient capital for new ventures, got entirely out of hand because of the low par-value stocks; and besides that, it left the little players in these stocks strappped. Why not P5 as a minimum par value for shares, to get folk to buy them as potential investments and not for avid speculation? Too high, because speculation within bounds is always desirable? Perhaps so; all right then, P1. If for us the boom had one lesson, this is it.

—*W. R.*

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In supporting his resolution, Bridges said that during the past six months more scrap steel had been sent out of the United States than in any previous full year.

"This is an export of basic material for war" Bridges told the committee, "and over 50 per cent of this export is going to one single foreign country. We hold ourselves up before the world as a peace loving nation, but how on the one hand can we nourish the dove of peace and on the other blindly feed the gods of war?"