

World conditions are so uncertain that long range business is unwarranted and orderly marketing schedules cannot be prepared with any assurance. It looks like a very promising year for speculators, and he who is able to hold his stocks from market bulges and to guess the right time to sell, stands a chance to profit. To do this well, however, is going to require second sight and presumably in the long run such speculations will prove dangerous.

Indications are that 1936 will be a normal copra year, with the crop estimated at from 5% to 10% in excess of that of 1935, which in turn was some 3% under 1934.

The effects of legislation in the United States, if any, will have much to do with prices of copra in the Philippines, with the excise tax looming up as it did last year as an increasing menace to our legitimate market. Meanwhile, the Philippine Government has not yet received the proceeds of the excise tax promised it by the American Government, and in view of a series of law suits in the United States protesting against its return, there is good reason to fear that none of this money may ever find its way back to the Philippine Treasury.

MANILA HEMP

By H. P. STRICKLER
Manila Cordage Company

During January the market opened firm in the New York market, and prices of the grades J1 and above advanced slightly, until the middle of the month. During the second half of the month the market remained steady to firm until the close.

In London and Japan the market remained for the most part quiet and steady at little or no change in prices. Demand was spotted, and mostly speculative. The grades G and below declined slightly from the previous month's level.

In the Philippines, and especially in Davao, the market remained very firm during the entire month under review. While the prices of the medium and coarse grades remained unchanged or declined slightly, those of the grades J1 and above improved moderately in response to demand from the American market.

Prices of Loose Fiber in Manila Per Picul
December 31st

CD	P23 50
E	20 50
F	19 25
I	18 50
J1	15 75
G	13 75
H	10 25
J2	12 00
K	9 75
L1	8 75
L2	7 50

January 31st

CD	P23 00
E	21 00
F	19 75
I	18 75 to P20 00
J1	16 25
G	13 50
H	9 75 to 10 00
J2	11 75 to 12 00
K	9 50
L1	8 50
L2	7 25

THE RICE INDUSTRY

By PERCY A. HILL
of Muñoz, Nueva Ecija
Director, Rice Producers' Association



About January 20 luxury rice sold P0.45 higher than at date of our last report, means P0.25 higher. Prices since then falling somewhat, luxury grades on February 5 were bringing P6.60 to P6.80 per sack of 57 kilos, macans P16.15 to P6.25. During the same period palay rose to P3 per cavan of 44 kilos, and have now dropped back to P2.85 to P2.90. These are the highest prices for palay at harvest time during the past 8 years.

The drought in central Luzon will result in slow deliveries to milling plants; mills and warehouses will pursue a hand-to-mouth policy and buy only for immediate commitments, partly on account of the limited supply and partly on account of fears of governmental intervention. The plant-industry bureau gave the newspapers a crop estimate of 42,282,260 cavans before threshing was well underway, and growers are interested in the source of the figures.

Fourteen threshing units in Nueva Ecija in the rice plain report production 30% below last year; the bureau's estimate would mean about 1,250,000 tons of clean rice allowing normal recovery, but others estimate less than 1 million tons. Effects of the short supply will be felt later even in the face of lesser demand because of substitute bread crops.

Whatever it means, there are several plans underway to stabilize the rice industry. Chinese have done this very well heretofore, buying and handling the domestic crop and importing as prices promised a profit—and such a moderate profit as none could compete with. It will be interesting to see how the experiments work out in the face of facts. Few will envy the government its self-imposed task.

President Quezon has made a first rate start

in trying to make bureaus and bureau heads effective, even scrapping precedent to do so. What he and the people want is success, not excuses.

Producers and consumers are of course opposed to each other. Retailers try to beat a middle course. There is no way of stabilizing supply, producers being dependent on the weather; and no way of stabilizing price, except by reducing the future supply. When a third party steps in between producers and consumers, always at war as they ever will be, however fine his theories he throws a monkey-wrench into the machinery. Whether such an agency is public or private, little difference; the plain fact is that there is not rice enough to cope with demand. Buying any of it for redistribution is merely painting the roses. When shortage raises prices prohibitively, they may be controlled—but only with an additional supply.

The American rice crop last year was 15,400,000 cavans of 57 kilos. Fancy grades sold in San Francisco for P9.44 per sack of 125 lbs., 57 kilos, 33-1, 3' up over 1934. This has stopped imports from the Philippines, even supposing we had a surplus. Saigon quotations are about the same as last reported, but Tonkin rice re-exported through Hongkong may be lower due to favorable exchange.

Skou Reviews Russia Again

(Continued from page 32)

crossing to Japan by boat, because the Chinese and the Russians were then fighting over the railroad in northern Manchuria. Ruins of station buildings were seen, and this part of the country is thimble settled.

Living is very cheap in Manchuria.

A great wave of development is sweeping Russia, riving prosperity to the people. Lots of gold is being mined, that should give the currency stability. When bolshevism has been tempered by time, the world may tolerate it, then approve of it; as has been the experience with France's democracy, that in the beginning was sordid and fanatical. My crossing from Copenhagen to Shanghai costed 17 days, but the 4 days from Copenhagen to Moscow might have been cut to 2 by flying. Why are we all curious about Russia? I think mainly for two reasons, the magnitude of the experiment and because the Russians are always preaching to us and telling us to mend our ways.

THE MANUFACTURERS

This Month's Message:

The sooner you plan your future,
the better your future will be.

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