

The Government

From Official Sources

FEBRUARY 1—President Elpidio Quirino officially opens the Philippines International Fair, scheduled to run from this date to April 30.

Feb. 2—The President approves the release of ₱188,720 for the operation of hospitals, chargeable against the lump-sum appropriation of ₱807,655 set aside for this purpose. He also authorizes the release of ₱4,211,335 for the reconstruction or repair of public buildings destroyed by typhoons in 1951 and 1952 in various parts of the country.

The Supreme Court rules unanimously that Commonwealth Act 671, enacted shortly after the attack on Pearl Harbor and the opening of war with Japan, has been rendered inoperative by the termination of the emergency it was designed to meet and by operation of the constitutional provision that such delegation of power should be for only a limited period and that therefore the continued exercise of these powers is unconstitutional, and accordingly nullified two recent executive orders (Nos. 545 and 546) appropriating ₱49,000,000 for public works and typhoon relief. Nine justices held that House Bill 727, which last year repealed the Emergency Powers Act but which was vetoed by President Quirino, and its purpose and should be considered as a concurrent resolution withdrawing the emergency powers from the President despite its having been vetoed.

Feb. 3—Malacañan issues a press release stating that the Philippines was among the 16 nations with forces fighting in Korea, which were given advance notice of President Eisenhower's decision to end the neutralization of Formosa; the notice was served to the Philippines by the American Embassy through the Secretary of Foreign Affairs.

The President issues Proclamation No. 365 during the period from February 15 to 21 of each year as National Press Week. He also issues Proclamation No. 364, revoking Proclamations Nos. 358 and 397 of 1938 and 1939 which set aside certain parcels of land for a military reservation and a laborers' barrio in Baguio.

Feb. 4—The President holds a breakfast conference with Ambassador R. A. Spruance aboard the Apo at which the Eisenhower action with respect to Formosa was discussed; later, President Quirino was reported to have said that "for our defense and security, this decision is resounding."

The President issues Executive Order No. 562 fixing new ceiling prices on imported canned sardines and locally manufactured nails.

Feb. 5—According to a Malacañan press release, of the ₱37,850,000 appropriated under Executive Order No. 545 issued late last year, only some ₱4,000,000 had been released, and that was on the day of the announcement, a few hours later, of the Supreme Court's decision.

Feb. 6—At a conference with the President, Import Control Commissioner Primitivo Lovina strongly recommends the extension of the life of the Import Control Commission to protect "new and young industries."

The President tells a delegation from the Bicol region that he issued the executive orders appropriating funds for public works and typhoon relief in response to a petition of 56 members of the House, including 10 Nacionalistas, and that he regrets that these funds have been cut off when they are most needed. Secretary of Public Works and Communications Pablo Lorenzo reports to the President that of the total appropriation under Executive Order No. 545 of ₱37,850,000, the President had approved the budgeting of ₱16,860,765, but that of this amount only ₱3,810,155 had been released by Fund Release Control Committee.

Feb. 7—The President as head of the Liberal Party presides jointly with Speaker Eugenio Perez, President of the Party, at a caucus attended by 7 senators and 33 representatives aboard the Apo, which unanimously decides to support a bill legalizing the appropriations contained in the two executive orders issued by the President to provide relief to the typhoon-stricken areas.

Feb. 9—The President in Executive Order No. 563 formally classifies the newly-created provinces of Zamboanga del Norte and Zamboanga del Sur as first and second class, respectively, based on their estimated annual income.

A special committee headed by Secretary of Finance Aurelio Montinola, created by the President to consider the exportation of "C" sugar to other countries in the United States, has recommended, according to a Malacañan press release, that no sugar be exported to other countries until the Philippines has filled its United States quota of 952,000 short tons to the United States and the domestic quota of 280,000 short tons, and that the question of exporting "C" sugar to other countries be held in abeyance until April 15, 1953, when most of the sugar will have been milled and it will be possible to determine whether there will be any excess production.

Feb. 10—The President's son, Captain Tomas Quirino, and his son-in-law, Lieut. Chito Gonzalez of the Air Corps, leave for service in Korea.

Feb. 11—The President issues a proclamation reserving some 8,920 hectares of public land in the municipalities of Angatdanan and Echague, Isabela, for settlement under the administration of EDCOR (Economic Development Corps) of the Army, the first of its kind in Luzon.

The President issues Executive Order No. 564 fixing the ceiling prices of certain drugs and medical preparations, chiefly biotics.

The President receives delegates of the Philippine-Japanese Youth Conference, including a group of four Japanese headed by Miss Hideko Yamamoto, to conduct a 6-day meeting in Manila.

Feb. 12—The President receives a delegation of the National Federation of Filipino farmers, headed by Demetrio Santos, who submits a resolution recommending the purchase of palay by the Government at ₱11 a cavan.

Feb. 13—Secretary of Foreign Affairs J. M. Elizalde tells newsmen that the 19-man reparations committee will complete its work by the end of the month; he states that the \$8,000,000,000 reparations claim against Japan dates back to the Osmeña regime but that the only time it came up was during a conference more than a year ago with Ambassador Tsuchihata; he adds:

"I understand this figure was an overall estimate of losses the Philippines had sustained... When I presented it, it was never understood by me that it was our demand for payment inasmuch as it is obvious to anyone with knowledge of the Japanese position and the state of the economy that such a huge amount could never be collected... The Foreign Office wants to collect the maximum amount which we can get from Japan by stretching and liberalizing Article 14 of the Japanese Peace Treaty, which must serve as the basis of reparations whether the Treaty is accepted or rejected..."

Feb. 14—Announced at Malacañan that the President yesterday decided to allow Deputy Commissioner of Customs Melecio Fabros to resign and ordered the reprimand of Commissioner of Customs Alfredo V. Jara, and that he also approved the recommendation of Secretary of Finance Montinola for the separation from the service of four others and the reprimand of three; the action was taken in connection with the smuggling in of 62 cases of fire-crackers consigned to the Soria Trading Company as fresh butter; the President designated Faustino Sy-Changco, Deputy Budget Commissioner, as acting Deputy Collector of Customs for the Port of Manila and ordered him to carry out a thorough overhauling of the Customs House.

The President signs an executive order remitting 50% of the 1952 taxes on the proposed importation in Nagara. He also issues a decree extending the period from March 15 to 21 of every year as Philippine Industry Week.

Feb. 16—Announced that the Department of Foreign Affairs is making "much headway" in re-opening trade with former enemy countries, including Germany, drafts of proposed trade and financial agreements between the Philippines and West Germany having been completed, similar to the barter agreements with Japan; however, it is pointed out that the establishment of normal diplomatic relations with West Germany must depend on the termination of the still existing state of war and that this could be accomplished by a joint resolution of Congress; such a resolution was introduced last year but was not acted upon for lack of time.

Secretary of Public Works and Communications Lorenzo reports to the President that the Bureau of Public Works saved ₱278,350 by importing 5,000 tons of liquid asphalt direct without the intervention of dealers and that another 10,000 tons will be ordered; he states the Government would still save money even if the Bureau would have to pay the 2% import license fee, the 17% foreign exchange tax, the 7% sales tax, and the 1% municipal tax, all of which have been waived.

Feb. 17—The President receives Toru Nakagawa, chief of the Japanese Mission in the Philippines, who, on invitation, called to pay his respects for the first time since the establishment of the Mission several months ago; he was accompanied by Secretary of Foreign Affairs Elizalde. The invitation followed a similar invitation extended to Jose F. Imperial, head of the Philippine Mission in Tokyo, and his call on Emperor Hirohito.

Members of the visiting 5-man group here to evaluate the work of the Mutual Security Administration for the Eisenhower administration call on Secretary Elizalde; the group is headed by Frank N. Belgrano and the other members are Richard Walberg, William H. Dennick, Stephen Chadwick, and David L. Grove, one of the 11 MSA teams named by MSA Director Harold E. Stassen to find out how the American foreign aid program can be improved.

Feb. 18—The President receives the members of the MSA evaluation group, accompanied by Ambassador Spruance.

The President, after a discussion with some 50 student leaders from the Student Councils Association of the Philippines, approves their request that up to 10,000 hectares of land be set aside for settlement by students in the Rizal Province region now being administered by the National Land Settlement and Development Corporation. "I am glad you have accepted my challenge," he said. "This is your opportunity."

Ang Chio Kio, a fugitive from justice, who seized control of a Philippine Air Lines plane on December 30, shooting the pilot and the

purser, later arrested when the plane landed on an island under the control of Nationalist China, is brought back to the Philippines from Formosa to undergo trial.

The President signs a number of executive orders reducing the 1952 taxes in Sorsogon and Marinduque.

Feb. 19 — The President receives Archbishop Rufino J. Santos, recently appointed to the office by Pope Pius XII; he was accompanied by Papal Nuncio Egidio Vagnozzi.

The President also receives a delegation from the Filipino Printers Association, headed by Ramon C. Ordoñez, who presents a resolution requesting the ratification of the ruling recently adopted by the Cabinet that after June 30, of this year, no more [primary and intermediate] textbooks printed abroad for use in Philippine public and private schools be permitted entry into the country.

Feb. 21 — The President authorizes the establishment of formal Philippine diplomatic relations with the Republic of Korea, as recommended by the Secretary of Foreign Affairs, and at the invitation of the Korean Government; it is anticipated that the President will accredit Maximino Bueno, Philippine alternate representative to the United Nations for the Unification and Rehabilitation of Korea, as charge d'affaires.

Feb. 23 — The second ECAFE (Economic Commission for Asia and the Far East) Conference on Trade Promotion opens a 10-day session in the Manila Hotel, and Secretary of Commerce and Industry Cornelio Balmeaceda is elected Chairman of the Conference. In the evening, President Quirino entertains the 200 delegates at Malacañan and voices his welcome. ECAFE Executive Secretary Dr. P. S. Lokanathan expressed the thanks of the delegates for the reception.

Foreign Minister Alberto Martin Artaño of Spain arrives in the Philippines on an 8-day state visit on invitation of the Philippine Government.

Feb. 24 — The President receives Spanish Foreign Minister Artaño and his entourage. (Official receptions and dinners followed on succeeding days.)

The President directs Budget Commissioner Joven to dispose of some 25,000 metric tons of Burma and Siam rice bought by the National Rice and Corn Corporation to supplement the local production which has shown an unexpected increase; the proceeds will be used to settle the MARIC'S indebtedness to the Philippine National Bank.

The President approves the release of ₱5,600,000 for the construction and maintenance of national and provincial and chartered city roads, streets, and bridges, the sum to be taken from the undistributed collections of the Motor Vehicle Fund.

Feb. 26 — The President accepts the decoration, "Gran Collar de la Orden de Isabel la Católica," conferred on him by the Government of Spain through the visiting Spanish Foreign Minister. The Minister also presented him, as a gift to the Filipino people, with a number of items of Rizaliana, consisting of documents about Rizal in Spain.

Feb. 27 — The President approves the release of ₱1,567,353 for the construction and development of irrigation projects to increase rice production.

The President signs an executive order creating a decoration to be known as the "Order of Sikatuna" (commemorating the first treaty—*Pacto de Sangre* or the "Blood Compact," between Legaspi and the Bohol Chief Sikatuna, in 1565). The first award is to be made to the Spanish Minister of Foreign Affairs shortly. There will be four ranks in the Order,—Raja, Lakan, Maginoo, and Maharlika.

Feb. 28 — The President receives George Peabody, public relations counsellor of the Philippine Association in the United States, who reports that while two years ago more than 85% of the news from the Philippines appearing in American newspapers was of an unfavorable nature, this has now dropped to less than 2%, based on a 6-month survey of over 50,000 news stories.

Banking and Finance

By W. M. SIMMONS
Manager

The National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31, 1949	As of Nov. 28, 1952	As of Dec. 29, 1952	As of Jan. 30, 1953
Assets				
International Reserve.....	₱460,689	₱472,172	₱454,157	₱451,359
Contribution to International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,306	107,570	106,940	106,940
Loans and Advances.....	77,047	50,180	54,165	54,140
Trust Account—Securities Stabilization Fund.....	—	—	—	—
Domestic Securities.....	92,197	231,857	235,438	235,233
Other Assets.....	20,390	41,428	42,279	41,338
	₱793,629	₱918,207	₱922,979	₱919,010
Liabilities				
Currency—Notes.....	₱555,576	₱546,280	₱579,584	₱561,630
Coins.....	74,384	90,309	89,945	89,433
Demand Deposits—Pesos.....	117,682	235,135	205,899	219,305
Securities Stabilization Fund.....	2,000	12,233	12,233	20,545
Due to International Monetary Fund.....	22,498	496	497	496
Due to International Bank for Reconstruction and Development.....	2,389	2,383	2,383	2,380
Other Liabilities.....	2,636	2,811	2,733	3,546
Deferred Credits.....	—	3,652	568	1,199
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	4,464	7,776	12,005	343
Surplus.....	—	7,132	7,132	10,133
	₱793,629	₱918,207	₱922,979	₱919,010

The International Reserves as of January 31, 1952, were as follows:

Central Bank International Reserves.....	\$225,679,402.00
Net FX Holdings Other Banks.....	66,722,446.00
Japan Open Account.....	8,617,523.00
Total.....	\$301,019,371.00

This is a decline of \$4,857,545 from the preceding month.

Currency and coins issued total ₱651,064,057.

Black market dollars are quoted about ₱275. Open market rates on fine tael bars reached ₱120 per ounce on January 20, but have since receded to a present market of ₱110.

Combined balance sheets of all banks as of the end of December, 1952:

	(In thousands of Pesos)
Resources	
Loans and Discounts.....	394,072
Overdrafts.....	211,960
Cust. Liab. Accept. under L, C and T, R.....	105,674
Stocks, Bonds and Other Securities.....	101,499
Other Real and Chattel Property Owned.....	2,083
Banking House, Furniture and Fixtures.....	5,375
Due from Banks.....	233,097
Cash.....	33,602
Checks and Other Cash Items.....	5,237
Other Resources.....	68,706
Total Resources.....	1,171,287
Liabilities	
Capital Stock.....	39,899
Surplus Reserves and Undivided Profits.....	64,184
Due to Banks.....	25,036
Cashiers', Managers' and Cert. Checks.....	4,561
Dividends Payable.....	375
Individual Deposits Subject to Checks.....	304,838
Savings and Time Deposits.....	312,054
Deposits of Public Funds.....	216,842
Bills Payable.....	46,199
Other Liabilities.....	157,299
Total Liabilities.....	1,171,287

(NOTE: The information contained herein has been derived from responsible sources, but the National City Bank of New York assumes no responsibility for its accuracy.)

Manila Stock Market

By A. C. HALL
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January 24 to February 20

DURING the period of this review, with the notable exception of San Mauricio, which advanced sharply on good development news, the mining share market has displayed an easier tendency, with most of the leading issues registering modest losses. The market action appears to be in the nature of a normal technical correction following the previous month's gain.