

than normal production for July and August, partly offsetting the bad start of the first quarter.

Regular level nut pricing has followed copra prices very closely and there has been almost a 100% parity between copra and raw nuts, which is unusual at this season.

The following statistics show the shipments for the month of July, 1954:

Shippers	Pounds
Franklin Baker Company.....	4,617,400
Blue Bar Coconut Company.....	1,529,320
Peter Paul Philippine Corporation.....	1,670,000
Red V Coconut Products, Ltd.....	3,043,500
Sun Ripe Coconut Products, Inc.....	703,800
Cooperative Coconut Products, Inc.....	118,500
Total shipments.....	11,682,520

Sugar

By J. H. D'AUTHREAU
Philippine Sugar Association

THIS report covers the period August 1 to August 31, 1954.

New York Market. The downward trend of the previous two months has continued, with Philippines sold in fair volume down to 6.05%. The basic market factors accounting for this logical development remain unchanged: poor statistical position and refiners' continuing indifference to the widening disparity between the price of raws and refined. As to the first, rumors have circulated of petitions to the U.S. Department of Agriculture to reduce the quota by 100,000 tons but no official or even semi-official reaction to such proposal has been reported. As to the second, it must be assumed that refiners know their own business best. It has been confidently

reported in some quarters that refiners could be expected to support the raw market at some point, but in our opinion there is little incentive for them to do so in view of the basic statistical position. In the final analysis, the trend can only be arrested by the Department of Agriculture and relief may have to await the 1955 quota announcement in December next. Until then we expect the present trend to continue.

Reported sales of actuals totalled approximately 200,000 long tons, of which 131,000 tons were Philippines. Exchange operations for the period approximated 259,650 short tons. Deliveries of refined for the period July 26 to August 21 were 674,976 short tons, as compared with 783,313 for July and with 715,767 for August, 1953. Total deliveries for the year to August 21 were 5,177,779 short tons, as compared with 5,380,791 short tons on the same date in 1953. On August 28 refiners stocks were 268,883 long tons, as against 218,746 on the same date last year.

Arrivals from principal sources of supply are now subject to certification, and on August 26 the following open quota balances were announced:

Cuba.....	388,738 short tons
Puerto Rico.....	414,446 " "
Philippines.....	178,969 " "
Hawaii.....	394,422 " "

An unofficial report from a trade source reported the Philippine open-quota balance as of August 31 at approximately 40,000 short tons after deducting afloats and reported loadings up to September 15.

Opening and closing quotations on the No. 6 Contract were as follows:

	Sept.	Nov.	March	May	July
August 2.....	5.61¢	5.64¢	5.44¢	5.46¢	5.56¢
31.....	—	5.58	5.42	5.47	5.57

Average spot price for August was 5.586818¢.

Best known "family" in the Philippines!

STAR MARGARINE
Tastes Better

CAMAY
the Beauty-Building Soap

PURICO
Baking, Frying, Boiling

MAYON
VEGETABLE COOKING OIL

LUTO

PTC

PHILIPPINE MANUFACTURING COMPANY

Average spot price January 1 to August 31 was 5.627305¢.

It is reported that the American Federation of Labor union has conceded sufficient disputed ballots of the May 26 waterfront elections to ensure continuance of the old I.L.A. union as bargaining agent for the New York longshoremen.

Local Market. (a) Domestic Sugar. Business continues at a standstill, with quotations further reduced to the nominal figure of ₱9.50 per picul ex warehouse, despite the higher figure announced by the Bureau of Commerce. It is believed that some small holders are selling because of distress, but larger holders refuse to let go at this price, which is lower in many instances than the cost of production. On the other hand, retail prices remain unchanged. This situation presents the industry with a serious problem and suitable steps are being considered to remedy it. One suggestion has been the establishment of a single seller. The ideal solution would be to increase local sugar consumption by a reduction of retail prices, to net the producers a return of around ₱12.00/₱13.00 per picul.

Manila quotations for ex warehouse Manila as announced by the Bureau of Commerce were as follows:

	Export		Domestic			
	97°	98°	98°	99°	99°	99°
Aug. 4-Victorias....	₱15.10					
Guagua.....	15.00	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		
11-Victorias....	15.00					
Guagua.....	14.95	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		
18-Victorias....	15.00					
Guagua.....	14.95	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		
25-Victorias....	15.00					
Guagua.....	14.90	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		

(b) Export Sugar. Sellers are slow to readjust to the declining New York market and make it difficult for traders to operate. By their present attitude, holders are unwisely, we believe, assuming themselves the risk of market exposure. Current quotations have declined further to ₱41.95/₱15.00. There remain perhaps not more than

10,000 tons "free sugar" unsold, mostly in the few districts still milling.

Total export shipments for the month are estimated at 43,003 long tons, making a total of 806,887 tons against the 1953-54 crop, as compared with 654,642 up to the same date in 1953, and leaving a final balance for shipment of 43,113 long tons. Total Philippine arrivals in New York for the period January 1 to August 28, 1954, are recorded at 692,187 long tons, as against 583,014 long tons for the same period in 1953.

World Market. Opening and closing quotations were as follows:

	Spot	Sept.	Oct.	Jan.	Mar.	May	July
August 1....	3.17¢	3.13¢	3.12¢	3.18¢	3.16¢	3.15¢	3.18¢
31....	3.20	3.17	3.18	3.20	3.18	3.18	3.20

The slight recovery has been made possible by the Cuban decision to segregate 350,000 tons at the disposal of the Cuban Institute for sale only after final liquidation of all privately held "World Free" quota sugar. Whatever quantity thereof remains unsold on December 31, will revert to "World Free" quota, and a corresponding quantity will be deducted from the "World Free" quota to be produced in 1955. However, a quantity not exceeding the amount now segregated will be produced as a special-financed quota in 1955 if finally seen to be necessary. Spot at 3.20¢ is still, however, 5 points below the International Agreement goal of 3.25¢.

Exports from Cuba as of August 28 to the United States reportedly totalled 1,628,870 long tons, against 1,709,476 last year. Sales to other countries were estimated unofficially at 1,284,560 long tons, against approximately 2,000,000 in 1953.

In the Philippines, some confusion has developed in the marketing of the 20,500 metric tons thought to be covered by a barter arrangement with Japan. It is reported that the Miti have approved the barter on the ratio of 2.3

ENGINEERING EQUIPMENT & SUPPLY COMPANY, Inc.

MACHINERY • MECHANICAL SUPPLIES • ENGINEERS • CONTRACTORS

AIR CONDITIONING

For Offices, Theatres, Hospitals, Stores, Restaurants, Hotels, Clubs and Homes



Suppliers of

MACHINERY, EQUIPMENT and INDUSTRIAL SUPPLIES

For Sugar Centrals, Mines, Sawmills, Power Plants, Machine Shops and All Industrial Plants



ENGINEERING — DESIGN — APPLICATION — ESTIMATES
INSTALLATION — MAINTENANCE — SERVICE — REPAIRS

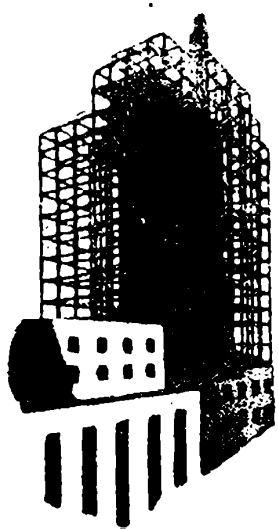


Operating:

General & Sales Office
174 M. de Comillas
Manila
Tel. 3-29-21

MACHINE SHOPS • STEEL PLATE SHOPS
STRUCTURAL STEEL SHOPS • WELDING SHOPS
SHOPS • BLACKSMITH SHOPS • SHEET METAL SHOPS • MARINE RAILWAY

Engineering Shops
No. 1 Calle L. Segura & Pasig River
Mandaluyong, Rizal
Tel. 6-65-68



to 1, but the local authorities are reported to have approved a total of 13,000 tons only for export to date, including a barter against cement. Certain buyers are nevertheless quite keen and business has been closed as high as ₱14.00 per picul f.o.b. vessel, Philippine port.

Bell Trade Act Revision. The Revision Committee, appointed by President Magsaysay and headed by Senator Jose P. Laurel, has left Manila for Washington via Honolulu, where it was reported that the Committee would prepare a final draft of its proposals. The press has reported since then that these proposals will include a suggestion that the Philippine-United States export sugar quota be established on the basis of 15.41% of the United States domestic allotment, instead of the present fixed quota of 850,000 long tons, which represented 15.41% of the American consumption of approximately 5,500,000 tons as of 1934 when the Philippine quota was first established. The fundamental conception of trade under revised conditions which the Revision Committee will propose for adoption, is that of a "balanced and reciprocal free trade" between the two countries. Under this formula, it is reported that the Commission will also seek duty-free status for Philippine quota sugar. These proposals will be supported by evidence showing that since the acceptance of the provisions of the Bell Trade Act, the cost of production has risen considerably through increased taxation and through the introduction of minimum wage scales recommended by the Bell Commission itself. The best wishes for the success of this Mission were publicly extended to Senator Laurel prior to his departure by all elements of the Philippine economy.

1953-54 Milling. Twenty-one of the 25 Centrals have finished milling for the 1953-54 crop, with a total production of 1,210,710 short tons. Total production to date is estimated at 1,389,691 short tons. The Centrals still milling are estimated to produce an additional 45,484

short tons, or a total of 1,435,175 short tons for the whole crop. The average of juice purities to date is 83.91.

1954-55 Crop. A preliminary estimate of the 1954-55 crop, milling of which will start this month, is 1,400,000 short tons.

Manila Hemp

By FRANK P. HILL

*Vice-President and General Manager
Macleod and Company of Philippines*

DURING August the long decline in prices, which began early in the year, was arrested. Renewed interest in Europe, the United Kingdom, and Japan appeared to be responsible. There was still little buying interest in the United States, although fairly substantial purchases of Central American abaca were reported.

In New York at the beginning of the month Davao machine-cleaned offerings were as follows:

DA/J1	16-3/8¢ per lb. c.i.f.
DA/G	15¢ per lb. c.i.f.

On August 18, quotations for those grades were:

DA/J1	14-3/4¢ per lb. c.i.f.
DA/G	14¢ per lb. c.i.f.

Other grades declined proportionately, but there was little interest from buyers even at lower prices.

The market became steadier about August 20 and the trend was reversed from that date to the end of the month, with Davao J1 quoted at 15-7/8¢ on August 31.

Prices in London and Japan declined in the same way and were back at month's end to opening quotations.

Despite apparent short supply of loose fiber in most districts, it is not believed that prices will advance much further for the present.

The usual statistics follow:

INSULAR LUMBER COMPANY

FABRICA, OCC. NEGROS

MEMBER — PHILIPPINE LUMBER PRODUCERS' ASSOCIATION, INC.



SPECIALISTS IN KILN-DRIED LUMBER

and

MANUFACTURERS OF BOXES OF ALL DESCRIPTIONS

MANILA DISTRIBUTORS:
Norton & Harrison Company
814 Echague
Manila

Philippine Lumber Manufacturing
Company
14-30 Soler St.
Manila

Insular Saw Mill, Inc.
340 Canonigo, Paco
Manila

MANILA OFFICE: 603 FILIPINAS BUILDING