

Manila Stock Market

May 15 to June 17, 1948

By A. C. HALL
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MINING SHARES

AN easier trend developed until the end of May, by which time prices had again receded into the area of the year's lows. Activity tended to dry up as the decline proceeded, thereby indicating lack of selling pressure.

As on previous occasions, the market again has displayed ability to rebound from this level, and the rally since early June has recovered earlier losses.

Individual issues were mixed. Atok-Big Wedge and Mindanao Mother Lode were the principal losers on the decline, with the latter issue off as much as 21 points at one time under some distressed liquidation in an empty market. Lepanto Consolidated has been independently strong throughout the period, while Acoje and Surigao have also been better than average performers.

Examination of the price-pattern around the year's lows, shows every indication that the secondary decline which set in shortly after the New Year has terminated, and the market is now in the process of resuming the major uptrend.

The changed outlook reflects an improving financial foundation, also discounts better news in the months to come from the mining companies.

	HIGH	LOW	CLOSE	CHANGE	TOTAL SALES
Manila Stock Exchange Average	104 60	94 60	103 47	Off	53
Acoje Mining Co.	355	32	35	Off	03
Antamok Goldfields	.025	.025	.025a	Unchanged	100,000
Atok-Big Wedge Mining Co.	.79	.70	.72	Off	.08
Baguio Gold Mining Co.	.04	.04	.04b	—	145,000
Batong Buhay Gold Mines, Inc.	.006	.0058	.0058	Off	.0002
Coco Grove, Inc.	.023	.023	.023	—	50,000
Consolidated Mines, Inc.	.0135	.0125	.013	Unchanged	7,590,000
Itoon Mining Co.	.07	.07	.07	Up	.005
I.X.L. Mining Co.	.0725	.06	.07a	—	115,000
Lepanto Consolidated	.79	.65	.79	Up	10
Masbate Consolidated	.04	.04	.04	Unchanged	55,000
Mindanao Mother Lode Mines	.90	.69	.81	Off	.08
Paracale Gumaus Cons.	.10	.10	.10b	—	55,000
Suyoc Consolidated Mining Co.	.03	.03	.03	—	20,000
San Mauricio Mining Co.	.185	.175	.185	Up	.01
Surigao Consolidated	.36	.30	.36	Up	.04
United Paracale Mining Co.	.08	.0775	.0775	Off	.0025

In addition to the foregoing, unlisted mining issues traded as follows: Antipolo Mining, small business at 18 and 20 centavos; Balatoc, 4,000 shares at ₱3.50; Benguet Consolidated, 16,000 shares from ₱4.15 to ₱3.80; Misamis Chromite, 166,000 shares from 22 to 27 centavos.

COMMERCIAL AND INDUSTRIAL

The feature of this section has been renewed activity in Philippine Oil Development shares which have responded to reports that the Company will be granted additional leases by the Government. San Miguel advanced on reports of higher earnings this year as compared to last.

	HIGH	LOW	CLOSE	CHANGE	TOTAL SALES
Bank of the Philippine Islands	₱56.00	₱56.00	₱56.00	Off	₱4.00
Central Azucarera de Bais	500.00	500.00	500.00	Off	35.00
Central Azucarera de la Carlota	105.00	105.00	105.00	Unchanged	—
China Banking Corporation	173.00	173.00	170.00b	—	20
Marsman and Co. Pfd.	.40	.40	.40	—	10,000
Peoples Bank and Trust Co.	55.00	55.00	55.00	—	148
Philippine Oil Development Co.	245	175	23	Up	.045
Philippine Racing Club	1.30	1.20	1.20	Off	.10
San Miguel Brewery	74.00	66.00	74.00	Up	4.00
Victorias Milling Co., Inc.	120.00	120.00	120.00	Unchanged	—
Williams Equipment Co. Pfd.	—	—	95.00a	—	—
Williams Equipment Co. Com.	9.50	9.50	9.50	Off	.50

In addition to the foregoing, unlisted Commercial shares were traded as follows: Jai Alai, 1,900 shares at ₱22, and Manila Jockey Club, 11,300 shares at ₱2.26.

American Stock and Commodity Markets

May 27 to June 26, 1948

By ROY EWING

Swan, Culbertson & Fritz

FOR the past month, the New York stock market has been firm, but lacking the aggressive strength it demonstrated in May. The period under review opened with the Dow Jones Industrial Average at 190.97 and advanced steadily to a new high since August, 1946, of 193.16 on June 15. Moderate declines followed, sending the senior average back to 190.00 at present writing. The Rail Average, on the other hand, which lagged in late May and early June, broke into new high ground on June 23 and is now 62.82.

Oils continued to be an outstanding feature of the market, and again recorded all time highs, reflecting additional highly favorable reports as, for example, Standard Oil of New Jersey's indicated earnings for this year of \$16 a share. Other industrials which were favored included motors, chemicals, and aircrafts. Continued satisfactory earnings and dividend reports aided buying sentiment, and practically all business indices supported the optimism of the market. Overall profits exceeded last year records, United States employment now at record levels was still on the increase, retail sales are considerably up from last year, and many industries' backlogs were building up faster than they could produce. A factor in the recent weakness has been the collapse of negotiations between management and labor in the soft-coal dispute and the possibility of generally worsening labor relations.

According to the Dow Theory, the present decline is neither surprising nor disturbing, and will probably turn out to be only a normal secondary correction. The current bull move started in the middle of March with the Industrial Average at approximately 165 and the Rails around 49. A secondary reaction is to be expected after a move of this size and duration, and some traders are of the opinion that buying should be deferred until a correction occurs. At present writing, it appears that these will be rewarded for their patience by a buying-spot possibly around the 180-185 level.

All commodities moved in a narrow range, nothing spectacular either way. In general, all were adversely affected by the House of Representatives' cut of the European Recovery Program funds. New York spot cotton sold at a high for the period of 39.13 on June 2, but closed at 37.28. Favorable crop news and the disappointing export demand were somewhat offset by the prospects of loans to Japan to buy cotton. Chicago wheat (July) declined from a high of 235-3 4 on May 28 to a low of 227-1/4 on June 14, and then rallied to close at 230-3 8. Buying by various government agencies for export supplies, offset predictions of another bumper wheat crop. Dryness in the maize belt made corn somewhat stronger; the low for July was on May 27 at 214-1 8, the high on June 22 at 223-1 4.

Credit

By W. J. NICHOLS

Treasurer, General Electric (P.I.) Inc.

THE trend of increasing capital lockup in accounts receivable, reported by wholesaling firms during the month of June, was due in part to continued demands from retailers for more favorable credit terms. The situation does not appear to be disturbing and is considered by some credit managers as merely a sign of return to normal conditions. However, business men engaged in credit and collection work are continuing to examine carefully all delinquent accounts. Several instances were reported in which further shipments to customers have been held up for non-payment of overdue bills.

One problem which continues to occupy the attention of credit managers to some extent is the settlement of pre-war debts. The liquidation of these old accounts has been delayed by the debt moratorium and by the loss of records and accounts during the Japanese occupation. Several firms report that although their larger accounts with pre-war customers have been settled by mutual agreement and compromise, a considerable number of receivables on their books at the outbreak of the war still remain open. It is quite likely that the majority of these debts will never be fully paid up.

Demand for installment plan financing continues to increase. Although restricted at first largely to the metropolitan area of Manila, this form of financing is gradually spreading throughout the provinces. It is believed that with larger supplies of merchandise on hand and more active competition, wholesalers are finding it necessary to accept installment contracts.

Electric Power Production

(Manila Electric Company System)

By J. F. COTTON

Treasurer, Manila Electric Company

1941 Average — 15,316,000 KWH

	1948	1947
January.....	27,301,000	17,543,000 K
February.....	26,021,000	17,503,000 L
March.....	26,951,000	20,140,000 I
April.....	26,871,000	19,601,000 O
May.....	28,294,000 *	19,241,000 W
June.....	28,950,000 **	17,898,000 A
July.....		22,593,000 T
August.....		23,358,000 T
September.....		23,122,000
October.....		24,755,000 H
November.....		24,502,000 O
December.....		25,725,000 U
		R
Total.....		255,981,000 S

* Revised

** Partially estimated

A continued sharp increase in output was recorded in June despite it being a 30-day month. The daily output record set in May became the average for June.

The increase in June over May was 656,000 KWH (2%), and the increase over June, 1947, was 11,052,000 KWH (61.7%).

It should be noted that output is now nearly double that of 1941 (189%), and nearly triple the output in June, 1946.

Real Estate

By C. M. HOSKINS

(Of C. M. Hoskins & Company, Realtors)

THE months of May and June showed considerable real estate activity, several large properties having changed hands, with the usual volume of smaller units.

The war-damaged University Club Building on Dewey Boulevard and San Luis was sold for P450,000 to a Filipino investor who has already begun rehabilitation of the property. The historic Botica Boie property on the Escolta was sold to J. M. Tuason & Company for P1,020,000. It

is reported that the sellers will use the proceeds to build on their 2,000-meter lot across the street, meanwhile continuing to occupy the old property. J. M. Tuason & Company also bought for P640,000 from the Philippine Alien Property Administration the old Mori Bicycle store site on Rizal Avenue and Soler Street. The large Geo. H. Fairchild property in Pasay was sold to a Negro planter, Don Benjamin Jalandoni, at a reported P530,000.

COMPARATIVE STATEMENT OF REAL ESTATE SALES IN MANILA

Prepared by the Bureau of the Census and Statistics

Note: A large percentage of 1945 sales and a diminishing percentage of 1946 sales, represent Japanese Occupation transactions not recorded until after liberation.

	1940	1941	1945	1946	1947	1948
January.....	P 6,004,145	P 962,970	P 7,943,605	P 4,385,011	P 6,030,012	P 3,644,734
February.....	918,873	779,783	1,337,830	2,267,151	7,217,317	3,879,633
March.....	1,415,246	1,532,104	(?)	2,622,190	7,166,866	4,243,719
April.....	883,207	988,380	213,262	1,916,293	8,611,076	5,021,023
May.....	403,866	1,129,736	962,008	3,684,937	4,618,181	3,129,779
June.....	542,187	598,431	1,212,780	3,637,956	3,988,560	
July.....	1,324,861	559,742	1,123,565	4,974,862	4,097,183	
August.....	1,905,828	1,239,414	699,740	4,438,510	5,627,572	
September.....	1,141,114	815,112	1,870,670	4,698,896	7,437,213	
October.....	993,103	1,182,678	2,096,893	5,545,800	6,083,486	
November.....	938,416	(?)	2,555,472	3,340,382	4,177,054	
December.....	1,504,004		2,874,408	4,025,926	3,205,584	
TOTAL.....	P17,974,844	P10,647,285	P22,890,133	P45,537,914	P68,260,104	P19,918,908