

The Manila Stock Market During March

By W. P. G. ELLIOTT

Generally speaking, the close of the month witnessed a healthier financial tone than was apparent at the end of February. To begin with, the shortage in money referred to in our last issue has practically disappeared, and banks are now all buyers of foreign exchanges, instead of sellers, indicative of the liberal cash reserves.

The Tariff.—The status quo remains unaltered. The advance guard of the Philippine mission to fight the question of tariffs and all restrictions on importations of islands products has already left for Washington, and it should be gratifying to all concerned here to note the sympathetic interest being displayed by so many chambers of commerce and trade organizations in the U. S. A. towards the Philippine side of the argument. Such bodies as the Merchants' Association in New York, the American Exporters and Importers Association, the Los Angeles Chamber of Commerce, and others have all gone on record as vigorously opposing the Timberlake resolution and other restrictive measures against Philippine products.

Customs Receipts.—The gross customs collections for February this year at all ports of the Philippines amounted to ₱1,671,992.06, an increase of ₱94,380.67 over February of last year. But the internal revenue receipts for all ports were ₱241,345.82, against ₱407,501.56 for the corresponding month in 1928, a drop of ₱166,155.74.

Stocks and Shares.—There was a steady business in all sections of securities, with the exception of sugars, which are completely neglected, and sales aggregated 21,600 shares.

Banks.—Hongkong banks were placed at \$1292 to \$1285 and values have declined to \$1260. Mercantile Bank's changed hands at ₱44 and China Bank's at ₱87, with sellers asking ₱90 for large lots. Bank of P. I. are wanted at ₱165. The Chartered Bank have recommended a dividend for the past half-year at

the rate of 14% p. a., free of income tax and a bonus of £-/6/3 per share, free of income tax. £40,000 is set aside to meet contingencies and £186,656 carried forward.

Insurances.—Unions of Canton were traded in freely at \$387 and Hongkong Fires were placed at \$800. Filipinas, Insular Life and Philippine Guaranty are firm, buyers at ₱3,100, ₱310 and ₱310 respectively.

Sugars.—Trading in sugar shares was exceptionally dull, which is not surprising, in view of the depressed state of the industry. The old issue (₱1000) Pilars went at par; these are now split up into ₱100 certificates. Pasudeco's were taken at ₱45 at which more can be had. The Hawaiian Philippine Company have issued their report for the year ending 30th September 1928. The net profit for the year was ₱1,013,667.42, which was ₱617,323.20 less than the previous year. Surplus at ₱3,979,461.39 is now about equal to capital stock, ₱3,948,560. Carlota's were sold at ₱235. Central Luzon's at ₱150 Malabon's at ₱30 and Tarlac's at ₱170. The Malabon company declared a 10% dividend for 1928.

Plantations.—Polo's are now held at ₱500 and the plantation paid a 5% dividend for 1928. Pamplona's are wanted and ₱85 would probably be paid. Prospects for both these plantations are said to be very good.

Industrials.—There was a large turnover in La Urbana 8% liberadas, at ₱200 and Philippine Education preferred were taken at ₱103. The Isuan corporation announced that they have deferred payment of the semi-annual dividend on the 7% preferred stock until some later date. They have spent during 1928 the sum of ₱156,000 on advertising and ₱39,000 on new plant and machinery. They look for increased business for some time and remind stockholders that as all dividends are cumulative, this semi-annual dividend will be paid in addition to all

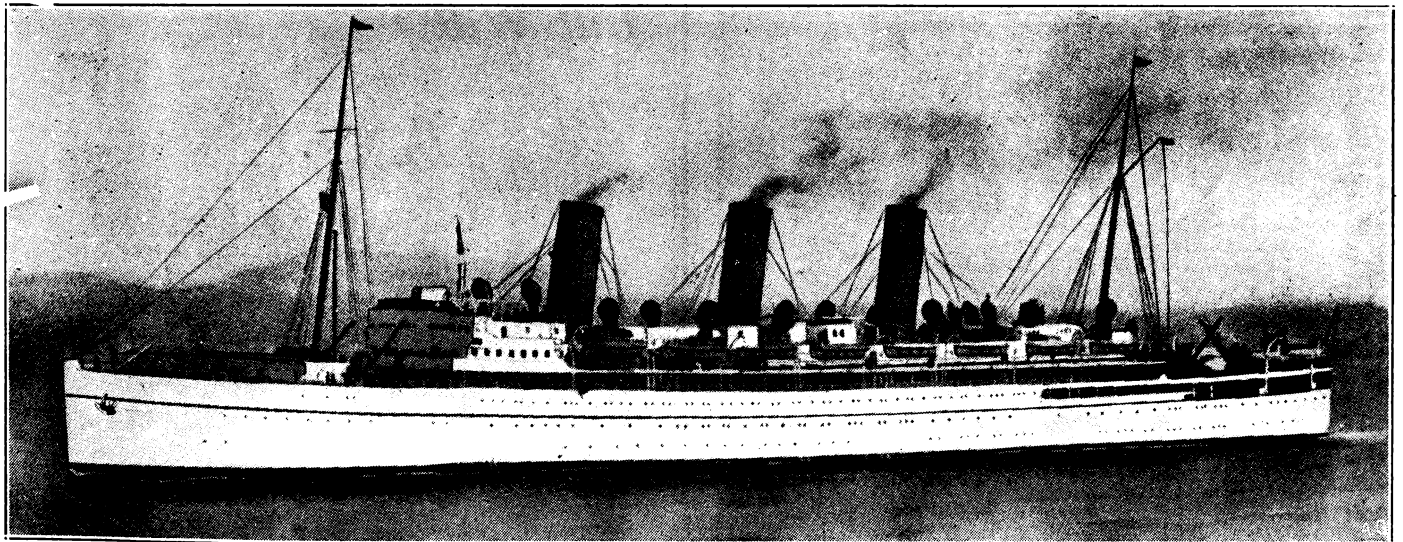
future dividends.

Mines.—There was again a fair buying interest shown in these mining shares. Benguet's changed hands at the advanced price of ₱2.75 with still buyers. The company had a successful year, finishing up with a net profit of ₱1,232,074.16. Balatok's were traded in on a large scale at ₱2.40 to ₱2.45, and at the close there are no further sellers. Prospects for this company seem bright; a clean-up of ₱82,000 was reported for 17 days operation. The shareholders at the annual general meeting decided postpone till the next meeting the proposition merge with Benguet. Itogon's on small transactions were placed at ₱10. This company also has good prospects, operating profit for 1928 being ₱149,163.25, compared with ₱42,442.02 for 1927.

Bonds.—The demand continues for all first class bonds. During the month fair quantities of Tarlac's 8% were placed at par, and a large parcel of Carlota's 8% changed hands at ₱1,020 plus interest.

New York Market.—As we go to press, cables in from New York report the stock market there collapsed, with call-money pushed up to 20%, and heavy waves of selling orders pouring in from all over the country—sales reported over eight million in one day. Prices appear to have dropped 10 to 30 points, although a partial recovery took place later. This state of affairs has been looked for some time, and speculators who have been caught in the avalanche have only themselves to blame. Until the market shakes itself free from the effects of the churning process now going on, the only sensible course appears to be to look on and stand prepared to reenter the market later on at a lower and safer basis. Undoubtedly, there will be lots of good bargains available shortly. Buying outright for cash has recently become a fashion in New York, especially with small investors, and such purchases increased 100% in 1928. This is partly accounted for by the larger margins now required by brokers.

THE WHITE EMPRESS OF THE PACIFIC



EMPRESS OF ASIA
16900 tons

EMPRESS OF FRANCE
18400 tons

EMPRESS OF RUSSIA
16800 tons

To CANADA, UNITED STATES and EUROPE

QUICKEST TIME ACROSS THE PACIFIC

CANADIAN PACIFIC STEAMSHIPS

14-16 CALLE DAVID

MANILA, P. I.