

REVIEW OF THE EXCHANGE MARKET

By RICHARD E. SHAW

Manager International Banking Corporation



Throughout the month of September there were general sellers of telegraphic transfers on New York at 1% premium, but certain banks which were short of cash were willing to operate at 1.8% lower.

Copra buyers were selling US\$ TT freely during the greater portion of the month in order to finance their heavy purchases, which tended to ease buying rates and maintain them at 5.8% premium for ready TT and 1.2% premium for forward. Toward the end of the month, however, there were fewer sellers and banks were eagerly competing for ready US\$ TT at 3.4% premium and were offering 5.8% premium for forward deliveries. Owing to the high discount rates prevailing in New York very few usance bills were offered on the market. The undertone was steady at the close.

Purchases of telegraphic transfers from the Insular Treasurer between the dates of August 18 and September 15 amounted to only \$300,000.

The weakness of the New York-London cross rate had its effect upon the local market. During September rates for telegraphic transfers fluctuated between 2-7 16 and 2-1 2, sellers, and 2-9 16 and 2-5 8, buyers. A fair amount of Sterling purchases were made by banks.

The New York-London cross-rate closed at 485 1/16 on August 31 and steadily declined until it reached 484 31/32 on the last business day of September.

London Bar Silver was quoted at 26 11 16 spot and 26 7 8 forward on August 31 and did not touch a higher level during September, but reached a low of 26 1 8 spot and 26 1 4 forward on September 18 and 19 and closed on September 29 at 26 9 16 spot and 26 5 8 forward.

New York Bar Silver closed at 58 5 8 on August 31, was high for September on the first and third of that month at 58 3 8, touched a low of 56 7 8 on September 18 and 19, and was quoted at 57 3 8 on September 29.

Telegraphic transfers on other points were quoted at the close as follows:

Paris, 12 40; Madrid, 168; Singapore, 115; Japan, 93-8; Shanghai, 77-1 8; Hongkong, 101-1/4; India, 135; and Java, 122-1/2.

COPRA AND ITS PRODUCTS

By E. A. SEIDENSPINNER

Vice-President and Manager, Copra Milling Corporation

Copra.—There was little change in the local copra situation during the month of September. Heavy short selling during July-August on the declining market with large buying to cover the September portion of these sales was sufficient to hold the market steady at Manila and at unchanged prices during the entire month. Reports advised a net advance at Cebu, and during the last two weeks of September, prices strengthened approximately two reales per picul at provincial concentration points in Laguna and Tayabas. Today there is noticeable weakness in these two provinces and it is probable that during the coming week provincial figures will be reduced to the Manila equivalent. Arrivals at Manila during September while heavy were approximately 55,500 bags less than those for August, the total being 506,544 bags.

The London market for September was steady to firm registering a high of £25 2 6 for F.M.M. Latest advices showed buyers' ideas much reduced and the best quotation we have today is £24 10 0. The U. S. copra market offered little of interest during September, and while

steady in spots, the bulk of the business noted was done at approximately 4-3 4 cents c.i.f. Pacific coast ports. Latest cable advices follow: Manila, P11.25 arrival reseedo: P10.00 to P10.125 bulk corrante: London, £24 10 0 F.M.M. market quiet; San Francisco, 4-3 4 cents.

Coconut Oil.—The local coconut oil market for drum oil is quoted at 33 centavos to 33-1 2 centavos per kilo. The U. S. coconut oil market weakened considerably during the first half of the month due to selling pressure for nearby positions. Under this liquidation prices dropped to 7-5 8 cents f.o.b. tank cars with buyers showing little interest in bulk parcels except for March forward. The situation was further complicated by the trade's interpretation of the government cotton crop report which was considered bearish. However, during the closing days of the month, early frost was reported to have damaged the cotton crop, with the trade anticipating a maximum yield of 14,000,000 bales. As a result cotton and cottonseed oil strengthened, and with selling pressure somewhat relieved in the coconut oil market, prices were advanced to 7 3 4 cents f.o.b. tank cars again, at which figure the market is reported quiet today. Latest cable advices follow: San Francisco, \$0.07-3 4 f.o.b. tank cars; New York, \$0.07-7 8 to \$0.08 c.i.f.; London, no quotation.

Copra Cake.—The local copra cake market was active in spots during the month in sympathy with spotty inquiries from the Continent, with buyers still reluctant to trade at present levels, holding off in anticipation of lower prices. Against this situation there seems to be little cake available from local mills up to the end of the year so that, with small selling pressure from Manila, there is little likelihood of reduction in the Hamburg market, unless competing feeding stuffs weaken substantially. Latest cable advices follow:

Hamburg, afloat £9 17 0 to £10 0 0; October-November shipment £9 15 0; San Francisco, no quotation; Manila, P71.00 per metric ton ex godown 1928 shipment.

Manila, P. I., October 4, 1928.

Telling your kin:

I am sending you M. O. \$2.00. Now I have some old Journals in my box and I saw an ad someone wanted a back number, and the same had Governor General Leonard Wood's picture on the front page. So I looked him over and kissed the picture and put it in safe keeping for future reference. We have been pals together before and after, and may meet again in some quiet place.

We have here in Calbayog lots of graves scattered all around town. Now, when a Chino looks for his dead kin, he finds a Chino grave, opens same up, and gets the bones. Then he cuts his body and gets some blood, and puts the blood on the bones; and if the blood sticks to the bones that is his kin folks. Can you go 17? War is declared here in the Gandara valley, this a. m. Natives coming in by the truckload.—J. H. Rumohr.

Travel East via the "North Coast Limited"

Now on a new, fast schedule—68 hours between the North Pacific Coast and Chicago! Leaves Seattle at 11:00 A. M. for all the principal cities of the United States. Two days of sightseeing through America's greatest mountains.

A particularly satisfying feature of Northern Pacific travel is its diner service.

The luxurious, new Observation-Club car with its deep, restful lounge—cushioned chairs—library—writing corner—club rooms—showers—and maid and valet service—affords many hours of pleasure.

New-type Pullmans and powerful, new locomotives.

You will find unusual travel comfort and courteous, personal service aboard this fine train. The Japan Tourist Bureau, American Express Company, Thos. Cook & Son, Shanghai Commercial & Savings Bank or any trans-Pacific steamship company, will gladly furnish additional information.

Oswald Crawford, G. A. 301 Granville Street Vancouver, B. C.

R. J. Tozer, A. G. P. A. 200 L. C. Smith, U.S.A. Seattle, Wash., B. C.

E. E. Blackwood, G. A. 912 Government Street Victoria, B. C.

Northern Pacific Railway

(308)



Stop off at Yellowstone Park

Season June 15-Sept. 30

Without exception this is the most unique outdoor playground in all the world—3,500 square miles of lakes in eruption—hot colored pools—boiling geysers—the deep, brilliant gulf of the Grand Canyon—and big, friendly bears to amuse you.