TOBACCO REVIEW

By P. A. Meyer
Alhambra Cigar and Cigarette Mfg. Co.

Raw Leaf: Purchasing in the Cagayan Valley showed some more activity towards the end of the season, and prices have advanced somewhat in sympathy with general conditions. Demand for good tobacco is rising. The buying of the 1933 crop has practically ended, there remaining some lots of inferior grades. Export of leaf has been as follows:

	Rawleaf, Stripped Tobacco and Scraps Kilos
Australia	767
China	7,871
Hongkong	960
Japan	19
North Atlantic (Europe)	2,553
Spain	888,444
Straits Settlements	595
United States	93,384
	994,593

Cigars: Shipments during September to the United States have taken a sudden increase and show a total of over 24 million, or about 6 million more than September 1932. We, however, hold that this increase is only temporary and was undoubtedly prompted by the anticipated increased taxation under the Agriculture Administrative Act and the National Recovery Act. Even with this large export during the past month the total shipments up to September of this year are still approximately 14 million below the shipments made to the United States during the corresponding period of last year.

Comparative figures are as follows:

Period	Cigars
September, 1933	24,065,270
September, 1932	17,938,048
January-September, 1933	115,334,721
January-September, 1932	129,518,357

LUMBER REVIEW

By ARTHUR F. FISCHER
Director of Forestry

The volume of the Philippine lumber and timber export trade has at last returned to 1929 levels. This is shown by the export shipments for July, 1933. The total amount of lumber and timber shipped to foreign markets during the month was 8,647,056 board feet, which is about the average volume shipped each month during 1929, the year previous to the depression. As compared with July of last year, the total lumber and timber exports during the month under review represented an increase of 122%. This increase is in a large measure due to the revival of the United States market and a more active importation of Philippine woods by

China. It is also due to the continued strong demand of Philippine logs in Japan, despite the dullness of business in all lines in that country at this time and the uncertainties of exchange.

Demand from the United Kingdom, which had shown some slackening during the previous months, was stronger during the month under review, due to the appreciation of sterling in terms of the United States dollar and the fact that hardwood stocks are running low. Philippine timber is reported to be displacing Gaboon mahogany in cabinet making work, because of its firmer texture and this, of course, should bring about a feeling of greater confidence with regard to the prospects in this market. Likewise, the lumber trade with South Africa is strengthening. Australia continued its steady importation of Philippine timber, although the amount shipped is still far below what it was during the peak year of 1929. Nevertheless, this importation is significant for the reason that for the last 2-1/2 years there was practically no movement of Philippine lumber and logs because of the high Australian tariff, which is still in force.

Summing up, the export trade has shown a decided upturn. Prices are still far short of what were considered fair values a few years ago, but they are much better than those prevailing during the past year and the outlook for the immediate future is encouraging. It is understood that the code of fair competition for Philippine mahogany under the United States Industrial Recovery Act is still under consideration and there is no definite information as yet as to what the final provisions will contain. Because of this pending measure, which vitally ffects the Philippine lumber export trade, the United States being considered the best market for the islands' product, there is some uncertainty in the minds of local producers as to what the quotas will be. But aside from this, the export situation presents nothing but an optimistic outlook.

Timber shipments to Manila from the provinces were fair, despite the rainy season, during which time there is usually less building activity. As a natural result, thereof, local prices for first group timber have slightly decreased, although they are still better than those prevailing at this time last year.

The mill production during the month under review totalled 14,545,946 board feet as against 9,870,289 board feet for July last year, or an increase of 47%. Despite increased production, however, the mill stocks decreased 19% as compared with the lumber inventories at the end of July, 1932.

The following statements show the lumber and timber exports, by countries, and mill production and lumber inventory for the month of July, 1933, as compared with the corresponding month the previous year.

Lumber and Timber Exports for July

Destination	1933 Board Feet	1933 Customs-Declared Value	1932 Board Feet*	1932 Customs-Declared Value
Japan	*5,032,456	₱77,940	3,177,032	₱ 63,129
China	1,488,664	15,353	2,120	431
United States	1,384,369	77,640	487,176	31,346
Great Britain	362,096	20,782	136,528	20,429
British Africa	303,160	21,161	46,640	3,150
Portuguese Africa	43,218	3,386		
Australia	22,472	1,124		
Hawaii	8,480	1,282	5,088	824
Guam	2,120	365		
Canada			41,976	2,510
Hongkong				17
TOTAL	8,647,056	₱219,033	3,896,560	₱121,836

NOTE: *This represents mostly solid log scale, that is, 424 board feet to a cubic meter.

For 46 Mills for the month of July

Month	Lumber Deliveries from Mills 1933	1932
July	14,627,871	10,224,606

Month	Lumber Inventory 1933	1932
July	23,229,385	28,540,305

Month	Mill Production 1933	1932
July	14,545,946	9,870,289

NOTE: Board feet should be used.