

U. S. Foreign & Domestic Commerce Bureau's November Business Cable

Washington, D.C., December 9, 1938

The upward trend of business activity under way since the middle of the year was extended during November. Industrial production rose sharply and the flow of general merchandise into the hands of consumers recorded an improvement. Further gains in the index of manufacturing output was reflected primarily by expansion in the steel industry and the rapid increase in automobile production. Steel ingot production advanced to 63 per cent of capacity, although incoming orders for steel have been somewhat below the current rate of operations and slightly less than in October.

Production of passenger automobiles and commercial vehicles rose to 97,000 units prior to the Thanksgiving week, exceeding the comparable output of the same period last year.

Production data for other industries generally recorded smaller increases than steel and automobiles but the volume of factory production has currently moved above the rate of output at this time last year, when industrial production was being curtailed. However, production in some consumers goods industries has declined recently on a seasonally adjusted basis and, not-

(Please turn to page 40)

**TOBACCO REVIEW
NOVEMBER, 1938**

By P. A. MEYER



RAWLEAF: The heavy inundation at the end of November did damage to some seedbeds in Isabela province. Most of the 1938 crop tobacco in Isabela and Cagayan already being in warehouses, only little damage due to the overflowing

of the Rio Grande and its tributaries is anticipated. The local tobacco market remained dull. Exports showed only a small increase over October. Comparative figures for shipments abroad are as follows:

Rawleaf, Stripped
Tobacco and Straps

	Value
Australia	1,236
Belgium	72,612
China	9,745
France	25
Holland	2,884
North Africa	237,000
Straits Settlements	1,062
United States	129,665
Uruguay	9,440
November 1938	463,669
October 1938	385,356
November 1937	401,689

REAL ESTATE

By P. D. CARMAN
BOULEVARD HEIGHTS



November sales were somewhat in excess of the total for the same month of 1937, 1935, 1934, 1932, 1931 and 1930 but lower than in 1936 and 1933. While the record of last year will probably not be reached, the total for 1938 is likely to exceed that of any other year since 1919.

Sales City of Manila
1938

	October	November
Sta. Cruz	P 385,178	P 433,079
Sampaloc	183,392	25,925
Tondo	295,504	53,982
Binondo	739,277	152,261
San Nicolas	273,723	60,750
Ermita	79,486	51,730
Malate	157,295	84,238
l'aco	21,450	83,577
Sta. Ana	90,972	30,334
Quiapo	24,174	19,000
San Miguel	3,984	14,230
Ittramuros	3,412	80,000
Sta. Mesa	1,570,893	—
Pandacan	61,906	10,552
	P3,890,646	P1,099,655

January-November 1938	6,417,309
January-November 1937	12,370,208

CIGARS: Shipments to the United States compared as follows:

	Cigars
November 1938	13,622,108
October 1938	16,640,055
November 1937	21,965,431
January-November 1938	171,106,230
January-November 1937	173,081,524

**SUGAR MARKET REPORT
FOR NOVEMBER**

By WARNER, BARNES & Co., LTD.

The marketing policy of the Louisiana producers again came into prominence as a market factor during the first week of the month. Insufficient warehouse space nullified the proposal to ease pressure by putting some of the Louisiana sugar into store and further sales at 2.95c were recorded, while one of the largest refineries contracted for 76,000 tons on the basis of the average weekly price. In consequence, spot sugar declined to 3c while new-crop offerings attracted no attention from buyers.

The Republican gains in the elections on November 8th had a stimulating effect on sugar in sympathy with other markets and a limited business was done during the second week of the month at the parity of 3c. Uncertainty regarding next year's quotas, however, continued to restrict demand.

During the second half of the month, interest centered principally around rumours of a reduction in the tariff on Cuban sugar, prompted by Colonel Batista's visit to Washington. A reduction from the present rate of 90c to 75c per 100 pounds is still possible under existing Presidential authority and there was considerable belief that this concession would be made. It was thought that the decrease might be granted in exchange for the elimination of white sugar exports from Cuba to the U. S., though, at the same time, there were reports that Peru had lodged a request for a 50% cut in the duty on her sugar, which would automatically achieve the reduction of the Cuban tariff to 75c under Cuba's treaty preferential of 20%.

With these uncertainties, the New York market remained almost continuously in the

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