

NOV - 8 1933

Submitted by:

A. BLAND CALDER,

(Name)

ASSISTANT COMMERCIAL ATTACHE.

(Title)

FOREIGN SERVICE

GPO

11-9651

179084

CONDITION OF THE SHANGHAI MARKET FOR AMERICAN
CANNED GOODS - SEPTEMBER 1933.

Dealers are not anticipating their forward requirements as formerly and buying is limited to immediate requirements. Provision dealers in general are losing money on American canned goods at present retail prices compared with cost of stocks last spring and current quotations as well. Interior markets have failed to improve and local buying power is down, hence business is not in an encouraging state either as to the present or prospects for the immediate future. The fact that duty is collected on a gold basis (in terms of Customs Gold Units) is an added burden to American goods since America's departure from the gold standard. The Customs gold unit formerly valued at 40¢ U.S. Currency when the latter was on the gold standard is now valued at 62¢ U.S. Currency or more, which in effect, when paying duties in local silver currency equivalents, is an increase of 55% in the import duty. Certain grades of canned goods, for example asparagus, on the basis of prices at which currently arriving goods were booked, are obliged to pay in Chinese silver dollars import duties equivalent to 75% of the c.i.f. cost of the goods, - a heavy deterrent to the possibility of any expansion in this trade.

Imports into all China in 1932 of canned goods items under the statistical returns number 228 were as follows: (n.o.p.f. - not otherwise provided for)

30
23

Fishery and sea products, canned or in any other packing n.o.p.f.	G.U.423,218.	equal to US\$.169,287.
Canned Awabi and otherwise packed, except bulk packing	161,452.	64,581.
Bacon and hams, canned or in any other packing, but not in bulk	200,734.	80,293.
Canned Corned or pickled beef, or other packing not in bls.	19,840.	7,936.
Asparagus	85,369.	34,148.
Fruits, table & pie	347,829.	139,132.
Meat extracts	52,099.	20,840.
Oils, salad or olive (in cans or bottles)	65,768.	26,307.
Other foodstuffs in cans or bottles n.o.p.f.	728,506.	291,402.
Lard, canned, or in any other packing but not in bulk	8,981.	3,592.
Macaroni, canned or in any other pack- ing but not in bulk	13,696.	5,478.
Total net imports into all China - 1932	G.U.1,684,274.	US\$.673,709.

(Note - Biscuits, baking powder, coffee, cocoa, condensed and powdered milks, jams and jellies, and honey have separate classifications and are not included in No. 228 items as above listed).

Imports into all China for the whole range of items as listed under Item No. 228 for the eight months ending August 31, 1933, total Gold Units 1,010,382. equivalent to U.S.\$ 552,517., compared with Gold Units 1,457,765, equivalent to U.S.\$ 583,106. for the same period of 1932, - representing a 5 1/2% decline in the trade in canned goods as compared with

the first eight months of 1932 which was a poor year handicapped by very adverse silver exchange.

A. Bland Calder
Assistant Commercial Attache.

ABC:CPZ.