WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

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The Economic Index declined 3.2 per cent from the preceding week, but registered a gain of 15.6 per cent from the same week of 1935

The decline in the economic index in the week of October 17 was mainly due to recessions in bond prices and bank clearings, although the adjusted index of carloadings also showed a slight decline. A further gain was shown in wholesale prices while the speculation factors were particularly strong. The net result was that the economic index stood at 111.6 against 115.2 in the week of October 10.

The railway freight movement was practically maintained in the 41st week, the index on the base of 1926 having been 77.2 as against 77.3 in the preceding week. The movement amounted to 60,219 cars against 60,278 in the preceding week. The cumulative total for the forty-one weeks was 75,800 cars greater than in the same period of 1935.

The index of wholesale prices advanced one half per cent to 77.1, a new high on the present movement. A further gain was shown in wheat on the Winnipeg exchange, No. 1 Northern, advancing to 113 7/8 against 110 1/8 in the week of October 10. Barley and rye recorded increases while oats and flax were at slightly lower levels. Livestock prices on the Toronto stockyards were slightly lower. Tin declined on the New York market, while other base metals and silver were steady. The Canadian index of non-ferrous metals rose from 69.9 to 70.3. Copper reached a new high for the past five years and advances were also shown in antimony, lead and zinc. Commodity prices in Canada averaged higher than at any time since 1930.

Bond prices declined in the week under review for the fifth consecutive week. The yield on Dominion long-term bonds mounted from 3.09 p.c. to 3.16 in the week under review. The inverted index of bond yields consequently showed a considerable decline, erasing the gains from the first part of July until the end of September. The decline in bank clearings was 7.4 p.c., the result being effected by the occurrence of a holiday. The advance in common stock prices, strongly in evidence in the preceding six weeks, was continued to the middle of the month. The general index showed a gain of 1.7 p.c., all groups in the official classification except pulp and paper participating in the advance. The index of five oil stocks increased from 230 to 236.7. A gain of more than one point was shown in the index of 19 power and traction stocks. In addition to the six industrial stocks attracting attention were Consolidated Smelters, Ogilvie, Canadian Bronze, Page Hersey and Sherwin Williams.

Comparison with the Same Week of last year

The economic index was 111.6 in the week under review compared with 96.6 in the same week of last year. The gain of 15.6 per cent represents considerable betterment in each of the six major factors. Carloadings recorded a gain of nearly 3 p.c. and wholesale prices were up 5.6 p.c. Bond prices were advancing at this time last year, but the present lead of the inverted index of bond yields over that week is 17.4 p.c.

The index of common stock prices was 133.7 against 99.0 in the week of October 17, 1935. The gain of more than 35 per cent reflected marked advance in each of the groups considered in this connection.

Weekly Economic Index with the Six Components
1926=100

Week Ended	Car loadings	Wholesale Prices	Inverted Index of Bond Yields	Bank Clearings	Prices of Common Stocks	Shares Traded	Economic Index
Oct. 19, 1935	75.1	73.0	128.4	84.3	99.0	131.8	96.6
Oct. 10, 1936	77.3	76.7	153.6	111.2	131.5	555.8	115.2
Oct. 17, 1936	77.2	77.1	150.8	103.0	133.7	-	111.6

Economic betterment in September

Economic conditions recorded betterment in September over the preceding month. Each of the major factors considered in this connection reached higher levels. The expansion of industrial production gathered momentum, the official index advancing from 115.2 to 117.6. Excepting gains in nickel, lead and coal, the mineral production indicators showed recession from the high level of the preceding month. The exports of copper showed an adjusted decline of 15.4 p.c. from August when the outward movement was particularly heavy. Nickel exports were 15,949,000 pounds against 11,053,000. The shipment of gold from Canadian mines amounted to 316,904 ounces against 317,931 in the preceding month. The coal output was 1,384,000 tons against 1,036,000, the adjusted index recording a sharp advance.

Manufacturing concerns accelerated operations in September, the index moving up from 113 to 115.4. The forestry group was active, the adjusted index of newsprint production reaching a new high point in history. A gain was also shown in the exports of planks and boards. The primary iron and steel industry recovered from the temporary recession of the summer. Automobile production remained at a low level, pending the introduction of new models. The imports of raw materials by the textile industry were considerably greater in September, the index moving up from 87.6 to 134.1. The release of tobacco for consumption reached a considerably higher level in September. Greater activity in the milling, sugar and meatpacking industries, was the main influence in raising the index of the manufacture of foodstuffs. The construction industry was more successful in obtaining new business in September. After seasonal adjustment, the index advanced from 45.8 to 55.4. The gain in carloadings was less than normal for the season. External trade continued active in September, an appreciable gain having been shown in imports. The value of exports receded slightly from the high level of August, even after seasonal adjustment. The index of bank debits or cheques cashed at clearing house centres advanced from 130.9 to 150.

Indexes of Business Operations in September 1936
compared with the preceding month
1926=100

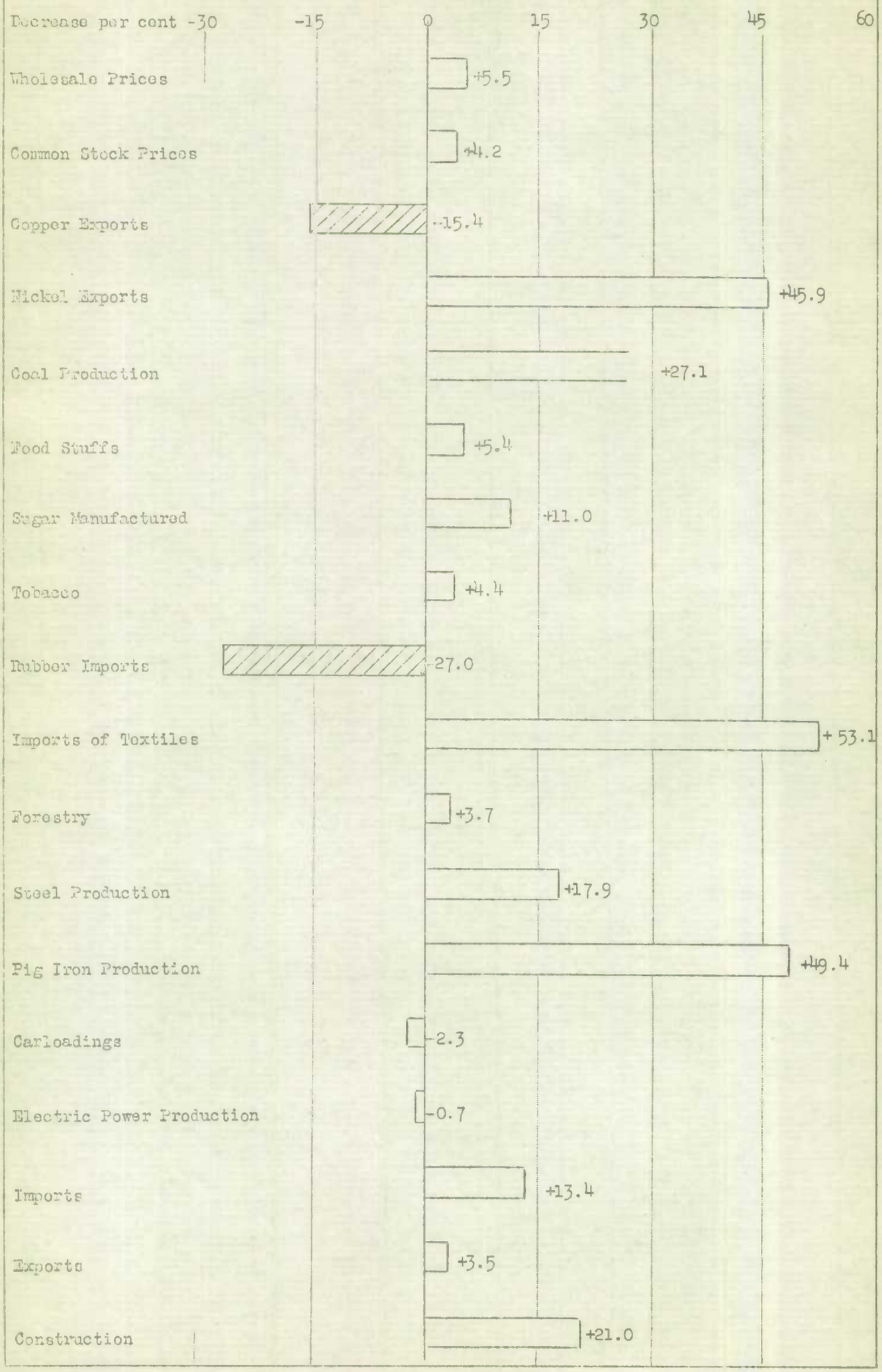
	September 1936	August 1936	Inc. + Dec. -
Wholesale prices	76.4	72.4	+ 5.5
Common stock prices	119.5	114.7	+ 4.2
Copper exports	328.4	388.1	-15.4
Nickel exports	270.7	185.6	+45.9
Coal production	103.7	81.6	+27.1
Foodstuffs	116.0	110.1	+ 5.4
Sugar manufactured	94.6	86.0	+11.0
Tobacco	152.0	145.6	+ 4.4
Rubber imports	174.1	238.5	-27.0
Imports of textiles	134.1	87.6	+53.1
Forestry	128.9	123.9	+ 3.7
Steel production	152.9	129.7	+17.9
Pig iron production	89.5	59.9	+49.4
Carloadings	79.3	81.2	- 2.3
Construction	55.4	45.8	+21.0
Electric power production	208.4	209.8	- 0.7
Imports	87.0	76.7	+13.4
Exports	122.9	118.8	+ 3.5

Output of Central Electric Stations

The output of central electric stations in Canada increased from 1,919,213,000 kilowatt hours in September, 1935, to 2,041,679,000 in September, 1936, or by 6.4 per cent, and on a daily basis it was 4.4 per cent above the August 1936 output. This increase over August, however, was less than the usual seasonal increase and the index number dropped from 209.83 to 208.41.

Exports to the United States declined from 143,342,000 kilowatt hours in August to 125,127,000, deliveries of secondary power to electric boilers increased from 488,915,000 kilowatt hours in August to 496,269,000, and the consumption of firm power (losses included) in Canada increased to a new high point of 1,420,284,000. This increased the index number to 184.62 as against 182.85 for August, the previous high record, and 171.35 for September last year.

Indexes of Business Operations in September, 1936 Compared with the preceding month
1926 = 100



Canadian Exports by Countries in September

Domestic exports in September amounted to $88,894,179 as compared with $77,258,615 a year ago, an increase of $11,635,564 or 14 per cent. Exports to countries of the British Empire counted to $44,202,185 compared with $32,214,171 a year ago, a gain of $11,988,014 or 37 per cent. The value to foreign countries was $44,691,994 as against $45,044,444, a decline of $352,450. Exports to the United Kingdom amounted to $37,164,971, an increase of $11,627,649, or 45 per cent. The total to the United States was a decrease of $3,482,600, falling from $38,603,286 to $35,120,686, or nine per cent.

Other leading countries follow, with 1935 figures in brackets: Australia $1,738,213 ($2,252,256), Belgium $1,564,541 ($863,676), Japan $1,543,899 ($920,836), New Zealand $1,259,512 ($902,721), British South Africa $1,016,275 ($1,013,020), Netherlands $1,114,067 ($646,787), Newfoundland $771,156 ($681,684), British West Indies $613,895 ($555,439), Sweden $566,603 ($158,487), Norway $551,651 ($457,835), France $503,552 ($433,951), British India $448,792 ($321,971), Germany $442,777 ($203,256).

Character of September Exports

Canada's domestic exports, which amounted to $88,894,000 in September as against $77,259,000 a year ago, were featured by large increases in wheat, barley, cattle, paper, aluminium, copper, lead, planks and boards, wood pulp and fertilizers. A large decrease was shown in the export of gold bullion other than monetary. Cheese, fish, automobiles and parts were also lower than last year.

The figures for the above commodities were as follows, with 1935 totals in brackets: Wheat $20,582,000 ($14,670,000), barley $2,304,000 ($104,000), cattle $867,000 ($342,000), paper $10,321,000 ($7,737,000), aluminium $1,835,000 ($567,000), copper $3,107,000 ($2,636,000), lead $952,000 ($566,000), planks and boards $3,504,000 ($2,263,000), wood pulp $2,907,000 ($2,221,000), fertilizers $403,000 ($102,000), gold bullion $4,545,000 ($12,694,000), cheese $1,481,000 ($1,745,000), fish $2,378,000 ($2,519,000), automobiles $1,336,000 ($1,670,000), auto parts $181,000 ($319,000).

Domestic Exports during Six Months Ended September

Domestic exports during the six months ending September, which is the first half of the current fiscal year, amounted to $485,777,313 as compared with $387,537,780, an increase of $98,239,533 or 25.2 per cent. Exports to Empire countries totalled $228,634,434 as against $171,651,517, a gain of $56,982,917 or 33.2 per cent. Of this amount $188,366,055, compared with $135,088,235, went to the United Kingdom, an advance of $53,217,820 or 39.4 per cent. The amount to Australia was $11,587,348 as against $10,459,019, a gain of $1,128,329 or 10.8 per cent. Exports to British South Africa were $7,343,680 as against $6,757,313, an advance of $586,357 or 8.7 per cent.

Domestic exports to countries outside the Empire in the six month period were valued at $257,142,879 as compared with $215,886,263, an increase of $41,256,616, or slightly more than 19 per cent. Exports to the United States amounted to $195,599,902 as compared with 175,821,453, a gain of 19,778,449 or 11.2 per cent. The total to Belgium was $11,037,593 as against $4,543,255, a gain of $6,494,338 or 143 per cent. Exports to Japan amounted to $10,452,638 as against $6,097,352, a gain of $4,445,286 or 72.9 per cent.

Other leading markets were as follows, with 1935 figures in brackets: Netherlands $6,575,230 ($4,089,932), New Zealand $4,131,550 ($4,326,593), France $4,903,897 ($3,378,852), Newfoundland $4,215,328 ($3,418,184), British West Indies $4,086,861 ($3,608,346), Norway $3,240,767 ($2,306,205), Greece $2,798,954 ($4,301), Germany $2,773,942 ($1,588,515), China $2,344,726 ($1,988,795), British East Indies $2,264,787 ($2,844,797), Brazil $2,101,032 ($1,900,651), Irish Free State $1,950,328 ($1,302,148).

Exports to the United States

Exports to the United States in September amounted in value to $35,120,686 compared with $38,603,286, a decrease of $3,482,600 or nine per cent. However, the export of commodities affected by the trade agreement between the two countries amounted to $19,255,711 compared with $14,119,144, an increase of $5,136,567 or 36 per cent.

Exports of all commodities to the United States during the first nine months of 1936 amounted to $275,872,996, as against $254,361,859 in the same period of 1935, an increase of over eight per cent. Commodities affected by the trade agreement amounted to

$153,746,789 compared with $120,933,082, an increase of $32,813,707 or 27 per cent.

Leading exports in September were as follows with the 1935 figures in brackets: cheese $214,549 ($5,513), softwood planks and boards $972,644 ($692,223), hardwood planks and boards $172,892 ($67,474), pulpwood $1,087,775 ($942,375), shingles $634,398 ($920,608), woodpulp $2,594,867 ($1,775,703), newsprint $7,764,683 ($5,623,545), abrasives $352,443 ($307,142), asbestos $328,964 ($237,551), asbestos sand and waste $246,605 ($143,557), bran, shorts and middlings $492,667 ($205,997), maple sugar $184,121 ($2,952), screenings $140,842 ($15,128), cereal foods $185,651 ($5,308), hay $85,607 ($771), alsike clover seed $60,578 (nil), beef cattle $356,524 ($240,549), horses $69,029 ($40,224), poultry $23,987 ($519), halibut $41,558 ($19,872), herring $90,775 ($21,868), fresh lobsters $119,308 ($75,869), white fish $162,077 ($99,095).

Leading exports during the first nine months of 1936 were as follows with 1935 figures in brackets: cheese $1,324,920 ($50,827), softwood planks and boards $8,381,150 ($5,688,997), hardwood planks and boards $910,188 ($417,669), pulpwood $5,833,956 ($5,222,356), shingles $4,159,421 ($5,015,694), woodpulp $19,553,936 ($16,086,635), newsprint $59,282,998 ($50,353,232), abrasives $2,783,539 ($2,320,216), asbestos $2,812,259 ($2,004,282), asbestos sand and waste $1,555,344 ($947,818), bran, shorts and middlings $2,207,344 ($2,615,721), maple sugar $958,516 ($193,710), screenings $309,464 ($255,315), cereal food $231,017 ($39,353), hay $158,124 ($679,611), alsike clover seed $71,681 ($88), beef cattle $7,572,827 ($4,675,719), horses $1,840,006 ($546,455), poultry $144,400 ($5,785), halibut $339,594 ($210,737), herring $186,483 ($167,629), fresh lobster $1,789,710 ($1,444,946), white fish $1,058,877 ($860,088).

Financing of Motor Vehicle Sales

Pronounced expansion in the volume of financing of motor vehicle sales was reported in September as compared with the same month last year. The number of units financed during the month was 9,830, a gain of 35 per cent, and their financed value was $3,751,545, an increase of 34 per cent. There were 2,645 new vehicles financed to the value of $1,885,754 as against 1,961 at $1,428,316 a year ago. Used vehicles numbered 7,185 at $1,865,791 as compared with 5,324 at $1,377,752.

Production of Iron and Steel

Production of 51,892 long tons of pig iron in Canada during September represented an increase of 35 per cent over the 38,570 tons of August. The amount produced during September last year was 55,360 tons. For the nine months ending September the total was 465,785 tons as against 419,064 in the same period last year.

Production of 86,077 tons of steel ingots and direct steel castings was seven per cent higher than the 80,164 tons of August and five per cent lower than the 90,952 for September last year. For the first nine months of the year, production totalled 813,734 tons as against 647,704 a year ago.

September Retail Prices, Rents and Costs of Services

The Dominion Bureau of Statistics index number of retail prices, rents, and costs of services on the base 1926=100, rose from 81.0 in August to 81.9 in September, which compared with 79.6 for September, 1935. Increased prices for foods and fuel were responsible for the upward movement. An index for retail prices alone including foods, coal, coke, clothing, household requirements, etc., advanced slightly from 76.5 to 76.7. When foods were removed from this index it remained unchanged at 78.2.

Building Permits for September

The value of the building authorized in 58 cities during September stood at $3,644,560, a seasonal decrease of $28,285 or 0.8 p.c. from the total of $3,672,845 in the preceding month, but an increase of $312,645 or 9.4 p.c. in the more significant comparison with September of last year, when the permits granted represented building valued at $3,331,915. Permits issued during the first nine months of the year were $29,433,327; this was lower than the aggregate of $36,680,796 during the same period of 1935, although it was decidedly higher than in the first nine months of either 1934 or 1933.

Paper Box and Bag Industry

The paper box and bag industry includes all establishments engaged wholly or principally in the manufacture of paper boxes and bags. It covers the greater part of the production of these commodities in Canada. There were 146 establishments, mainly in Ontario and Quebec. Production in 1935 was valued at $23,466,368 as compared with $21,035,432 in 1934.

Retail Merchandise Trade in British Columbia

Reflecting the general improvement in economic conditions in the province of British Columbia, the value of the total retail trade was nine per cent greater in 1935 than in the preceding year and 21 per cent greater than in 1933. Sales in 1935 were $187,257,000 compared with $171,609,000 in 1934 and $154,751,000 in 1933. Percentage increases over 1934 varied widely for different kinds of business, but a comparison of the provincial ratios with the Dominion averages shows that improvement in British Columbia was greater than that for the Dominion as a whole for 34 of the 40 classifications. In particular, grocery and combination stores, country general stores and restaurant group, while reporting but slight increases in other provinces, recorded substantial gains in British Columbia.

Production of Concentrated Milk

The total production of concentrated milk was 10,599,507 pounds in September as against 9,657,936 in the same month last year, an increase of 941,571 pounds or 10 per cent. During the nine months ending September the production amounted to 85,717,800 pounds as against 85,551,944 a year ago.

New Motor Vehicle Sales

A sharp rise in sales of passenger cars more than counterbalanced a slight decline in truck and bus sales with the result that total motor vehicle sales in Canada during September showed a 13 per cent gain over September last year. The usual seasonal decline from the previous month is reported. There were 4,551 cars, trucks and buses sold for $4,841,943 during September as against 4,029 for $4,304,540 in the same month last year, and 5,894 for $6,172,045 in August, 1936.

Wheat Stocks and Movement

Canadian wheat in store on October 16 shows an increase of only 1,313,297 bushels over the previous week and a decrease of 101,740,789 from the same date last year. The visible supply amounted to 160,596,408 bushels, including 9,823,227 in rail transit. A week ago stocks were 162,008,705 and on October 18, last year, the total was 262,436,197 bushels. This last amount does not include rail transit wheat. Stocks of Canadian wheat in the United States amounted to 20,995,192 bushels as against 20,972,126 a week ago and 27,723,124 in 1935. Wheat in transit on the lakes totalled 5,653,271 bushels as compared with 5,597,980 and 5,422,809 in the same comparison.

Wheat marketings in the Prairie Provinces for the week ending October 9 amounted to 5,448,641 bushels, as compared with 6,818,243 in the previous week and 16,647,313 in the same week last year. Total marketings from August 1 to October 9 were 106,145,571 bushels as compared with 114,107,361 in the same period last year.

Overseas export clearances during the week of October 16 were 2,468,190 bushels as against 2,332,112 in the same week last year. United States imports of Canadian wheat for consumption and milling in bond for re-export in the same two weeks were 1,353,000 bushels and 1,680,000, respectively. Total clearances from August 1 to October 16 amounted to 39,733,377 bushels as against 26,902,491 in the same period last year. United States imports were 16,454,876 bushels and 9,662,762.

Canal Traffic in September

Freight using the Welland Ship Canal in September amounted to 1,406,502 tons, as against 1,179,809 a year ago. There were increases in wheat of 64,923 tons, or 2,164,100 bushels, in gasoline of 14,953 tons, wood pulp of 27,789, pulpwood of 15,210, soft coal of 37,317 and iron ore of 60,831.

With increases over last year's traffic of 83,517 tons of wheat, 9,553 of gasoline, 16,983 of oil, 35,786 of wood pulp, 34,078 of soft coal and 14,077 of coke, total traffic through the St. Lawrence Canals increased from 982,783 tons a year ago to 1,129,988. Since the opening of navigation to September 30, total freight amounted to 5,882,109 tons as against 4,972,097 last year, an increase of 910,012, or 18.3 per cent.

Total freight passing through the Canadian and United States locks at Sault Ste. Marie amounted to 11,041,096 tons as against 7,147,840 last year. A continued heavy movement of iron ore and an early and heavy movement of wheat and other grains were the chief factors in this large increase. Iron ore increased from 4,924,256 to 7,910,329 tons and wheat increased from 20,996,457 bushels to 27,362,251.

Reports Issued during the Week

1. Canal Traffic, September.
2. Canada's Monthly Trade Trends, September.
3. Domestic Exports to Empire and Foreign Countries, September.
4. Canadian Grain Statistics.
5. Trade of Canada by Months, April 1933, to September 1936.
6. Building Permits, September.
7. Silver Mining Industry, 1935.
8. Prices and Price Indexes, September.
9. Index Numbers of Security Prices.
10. Production of Concentrated Milk, September.
11. Retail Merchandise Trade in British Columbia, 1935.
12. Weekly Index Numbers of Wholesale Prices.
13. Rigid Insulating Board Industry, September.
14. New Motor Vehicle Sales, September.
15. The Button Industry, 1935.
16. Production of Iron and Steel, September.
17. Financing of Motor Vehicle Sales, September.
18. Summary of Domestic Exports, September.
19. Car Loadings on Canadian Railways.
20. Canadian Grain Statistics.
21. The Paper Box and Bag Industry, 1935.
22. Sugar Report for the Four Weeks ending October 3.
23. Index Numbers of 23 Mining Stocks.
