WEEKLY BULLETIN

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Weekly Quotation

Love the little trade which thou hast learned, and be content therewith. - Marcus Aurelius Antoninus, (A.D. 121-180).

Weekly Review of Economic Conditions

Economic conditions recorded improvement in the first week of the year. Five of the six factors used in this connection showed advances over the preceding week, the recession in wholesale prices being of a minor character. Four of the six factors recorded gains over the same week of 1938, declines having been shown in carloadings and wholesale prices.

Reflecting a somewhat lower position in industrial activity, carloadings in 1938 numbered 2,429,000 against 2,628,000 in the preceding year. Grain and ore showed gains of 76,000 cars and 17,000 cars, respectively, and a minor increase was registered in the movement of pulpwood. The eight other commodity groups showed decline from 1937. The index of carloadings in the 52nd week of 1938 moved up from 67.2 to 70.0, advances being recorded in both the Eastern and Western divisions.

While construction contracts awarded held up well during the closing months of 1938, a decline of 16.4 per cent was shown in the annual total from the preceding year. The aggregate was $187.3 million against $224.1 million in 1937. Business building increased 14½ per cent while residential declined slightly more than 2 per cent, a considerable deficit being shown in industrial and engineering construction. Marked gains were recorded in public buildings, schools and stores.

Fluctuations in wholesale prices were of a minor character, extending conditions of relative stability in evidence since the middle of September. The weekly index of prices has fluctuated within narrow limits at a level slightly more than 10 per cent below the corresponding period of twelve months ago. Grain prices were uneven on the Winnipeg exchange in the first week of the year, recessions having been shown in wheat, barley and flax, while oats and rye were slightly higher. Metals recorded decline on the London exchange, electrolytic copper dropping from £50 to £48 10s. Export copper on the New York market dropped from 10.45 on January 3 to 10.32½ on the 10th, while lead and zinc were fully maintained.

Dominion bonds were firm in the week ended January 5, the average yield showing a decline from 3.01 to 2.98. A considerable lead in prices was shown over the same week of 1938. High levels were maintained throughout most of 1938, an index of capitalized yields averaging higher than in any other year during the period of observation.

Common stocks were strong in the last week of the year and a slight gain was shown in the weekly index for the period ended January 5th. Seven of the nine industrial groups recorded advances, while the index of fifteen power and traction stocks dropped from 58.5 to 58.3. Despite considerable fluctuations during 1938, common stock prices were relatively well maintained during the year. No important trend either in an upward or downward direction developed in the last fifteen months. The standing in the first week of the year was slightly in advance of the first week of 1938.

The weekly index based upon six significant factors showed an increase of 2.2 per cent in the week ended January 7th. The standing was 109.1 against 106.8 in the preceding week. The index stood at 109.3 in the first week of January, 1938, a minor decline having been indicated. The weekly index fluctuated within narrow limits during the last twelve months, no important trend having developed.

Weekly Index with the Six Components
1926=100

Week Ended	Car loadings[1]	Wholesale Prices	Capitalized Bond Yields[2]	Bank Clearings[3]	Prices of Common Stocks	Shares Traded	Weekly Index[4]
Jan. 8, 1938	82.1	83.5	151.3	95.7	105.0	93.9	109.3
Dec. 31, 1938	67.2	73.5	161.0	96.7	107.5	66.9	106.8
Jan. 7, 1939	70.0	73.4	162.9	102.8	108.0	94.7	109.1

1. The index of carloadings is projected forward one week to correspond with the practice in computing the weekly index. 2. Present value of a fixed net income in perpetuity from

Dominion long-term bonds. 3. Bank clearings were smoothed by taking a three weeks moving average for the purpose of eliminating irregular fluctuations. Totals for Ottawa were eliminated for all weeks shown, owing to incomparability introduced by the operations of the Bank of Canada. 4. The weighting of the six major factors is determined from the standard deviation from the long-term trend of each, based on data for the period from January 1919 to August, 1936. The weighting therefore represents, not an attempt to give the relative importance of the factors, but to place them on an equal footing by equating the tendency toward fluctuation. The long-term trend determined from half-yearly data in the post-war period was eliminated from the composite and the resulting index expressed as a percentage of the average during 1926.

Merchandise Trade of the United Kingdom

The November merchandise trade of the United Kingdom totalled £126,065,631 in comparison with £127,040,835 in the previous month and £147,757,186 in the corresponding month of 1937. The value of imported merchandise was £78,028,496 as against £79,034,856 in October and £97,268,371 in November, 1937. Exports were slightly increased in November over the previous month, totalling £48,037,135 against £48,005,979; in November last year the total was £50,488,815.

The aggregate value of the merchandise trade of the United Kingdom during the first 11 months of 1938 was £148,169,805 lower than in the corresponding month last year, totalling £1,335,757,120 against £1,483,926,925. Imported merchandise was £88,774,906 lower than last year and exports £59,394,899 lower, the former aggregating £846,948,164 against £935,723,070 and the latter £488,808,956 against £548,203,855.

Merchandise Trade of the United States

According to an official report received by the Dominion Bureau of Statistics, the external merchandise trade of the United States amounted in October to $445,907,000 compared with $557,009,000 in October, 1937. Decline was recorded in the value of both exports and imports, the former totalling $277,928,000 against $332,710,000 and the latter $177,979,000 against $224,299,000.

Merchandise trade during the ten months ended October aggregated $4,185,959,000 in comparison with $5,362,812,000 in the corresponding ten months of 1937. Ten months' exports totalled $2,573,045,000 as against $2,711,067,000 in the comparable period of 1937, while total imports were $1,612,914,000 as against $2,651,745,000.

December Exports of Wheat and Flour

Canada's domestic exports of wheat in December were considerably higher than in the corresponding month of 1937, totalling 15,982,526 bushels valued at $9,047,598 compared with 6,636,261 appraised at $8,155,138. The average price declined from $1.23 to 0.50. Betterment was also recorded during the calendar year just ended, export shipments increasing to 114,178,301 bushels from 96,008,341 in 1937, although the value declined to $89,393,814 from $124,439,579.

Domestic exports of wheat flour were also higher in December although the value was less, shipments totalling 365,085 barrels valued at $1,157,946 compared with 337,678 at $1,966,283 in December, 1937. The average export price was $3.17 compared with $5.82. Total domestic exports during the calendar year 1938 were 3,911,886 barrels appraised at $17,637,743 compared with 4,087,011 at $23,872,495, the average price declining to $4.51 from $5.84.

December Production of Butter and Cheese

Creamery butter production in December amounted to 11,126,885 pounds compared with 14,639,614 in the previous month and 9,823,479 in December, 1937. Increases over the previous year's output were recorded in all provinces. Canadian output of creamery butter during the calendar year 1938 aggregated 267,106,262 pounds compared with 246,387,259 in 1937, an advance of 8.4 per cent.

Output of factory cheese in December totalled 1,849,708 pounds compared with 7,098,723 the month before and 1,120,759 in December, 1937. Production during the twelve months ended December aggregated 120,726,003 pounds compared with 128,444,337 in the calendar year 1937, a decline of six per cent.

Wheat Stocks in Store

Canadian wheat in store for the week ending January 6 amounted to 165,988,882 bushels compared with 169,086,599 in the previous week and 56,662,351 in the corresponding week last year. The amount of Canadian wheat in the United States was 7,526,000 bushels compared with 7,926,000 the week before and 4,526,000 a year ago. Wheat in rail transit totalled 3,360,112 bushels compared with 693,890 in the previous week and 3,398,912 in the same week last year.

Primary Movement of Wheat

Receipts of wheat in the Prairie Provinces during the week ending January 6 totalled 638,738 bushels compared with 1,303,730 the week before and 886,353 in the corresponding week last year. The amounts follow by provinces, with figures for 1938 in brackets: Manitoba 55,216 (142,923) bushels, Saskatchewan 233,239 (224,782), Alberta 350,283 (518,648).

Marketings in the three Prairie Provinces during the twenty-three weeks ending January 6 totalled 255,194,251 bushels compared with 99,161,599 in the corresponding period of the previous crop year. The totals follow by provinces: Manitoba 41,123,524 (32,471,368), bushels, Saskatchewan 101,432,685 (20,838,954), Alberta 112,638,042 (45,851,279).

Overseas Export Clearances of Wheat

During the week ending January 6 the overseas export clearances of wheat amounted to 1,879,141 bushels compared with 1,290,400 in the previous week and 883,805 in the corresponding week last year, while imports into the United States for consumption and milling in bond for re-export totalled 177,000 bushels compared with 109,000 the week before and 16,000 a year ago. Clearances follow by ports, with figures for 1938 in brackets: Vancouver-New Westminster 1,568,722 (153,067), United States Ports 230,462 (144,744), Saint John 79,957 (247,865), Prince Rupert nil (306,133), Halifax nil (31,996).

Overseas export clearances during the period August 1 - January 6 totalled 70,358,867 bushels in comparison with 43,756,335 in the corresponding period of the previous crop year, while imports into the United States were 3,745,617 bushels compared with 1,946,839. The clearances follow by ports: Montreal 31,180,948 (22,541,851) bushels, Vancouver-New Westminster 16,439,711 (5,021,776), Sorel 9,414,308 (2,476,039), Three Rivers 6,022,221 (420,811), United States Ports 6,004,787 (8,327,997), Churchill 916,913 (603,982), Saint John 183,913 (3,526,487), Fort William and Port Arthur 112,066 (114,375), Victoria 84,000 (nil), Prince Rupert nil (619,061), Halifax nil (103,956).

Milling in November

Grains ground in Canadian mills during November were as follows, with figures for November, 1937, in brackets: wheat 7,176,994 (6,473,672) bushels, oats 1,616,828 (1,522,321), corn 245,941 (247,907), barley 178,786 (139,232), buckwheat 23,932 (23,353), and mixed grain 2,269,076 (1,711,986).

Fruit Nursery Stock Sales

The aggregate wholesale value of fruit nursery stock sold during the 12 months ending May was reported at $369,458 in comparison with $371,777 in the corresponding period of 1937. Apple trees, to the number of 441,187 and valued at $167,118, comprise the largest single item. The numbers and values of other kinds of stock were: peaches 159,295, $35,414; pears 96,276, $37,159 and 2,500 root grafts, $100; plums 97,369, $34,088 and 16,000 seedlings, $515; cherries 70,975, $28,057 and 2,000 seedlings $120; grapes 168,187, $13,817, raspberries 765,741, $21,890; strawberries 2,381,494, $14,684.

Gold Production in November

The Canadian production of gold in November amounted to 410,023 ounces in comparison with 411,263 in the previous month and 353,281 in November, 1937. Based on the average price reported during the month, the November output was worth $14,453,311 compared with $14,525,809 in October. During the first eleven months of 1938 Canada produced 4,281,979 ounces, a gain of 14.7 per cent over the output in the corresponding period of 1937.

Ontario operators reported an output of 246,382 ounces compared with 250,113 in October; Quebec 77,463 ounces against 73,637, British Columbia 52,045 against 50,765, Manitoba and

Saskatchewan 19,392 against 20,962. Alluvial gold production in the Yukon and lode gold in the Northwest Territories totalled 12,556 ounces against 13,585 in October. Nova Scotia shipments to the Royal Canadian Mint amounted to 2,178 ounces against 2,195.

Asbestos Shipments in November

November shipments of asbestos by Canadian producers were at a lower level, totalling 29,471 tons against 34,246 in the previous month and 37,737 in November, 1937. Exports in November were recorded at 30,012 tons as against 32,000 in the preceding month. During the first eleven months of 1938, 272,349 tons were shipped against 381,255 in the corresponding period of 1937.

Shipments of Feldspar

Commercial shipments of feldspar by Canadian producers totalled 21,346 short tons valued at $178,222 in 1937 as against 17,846 worth $154,475 in 1936. The tonnage shipped during the year under review was the greatest since 1930 and its value the highest since 1931. Canadian production of feldspar established an all time high record in 1924 when shipments totalled 44,804 short tons valued at $358,540.

November Output of Gypsum

Canada's November output of gypsum was recorded at 97,362 tons compared with 96,161 in the previous month and 95,123 in the corresponding month in 1937. November exports totalled 73,983 tons compared with 89,573 in October. Total Canadian output during the eleven months ended November was 931,753 tons compared with 975,848 in the corresponding period of 1937.

Mica Industry

Production of new mica in Canada during 1937 totalled 945 short tons valued at $133,731 compared with 801 at $74,556 in the preceding year. The tonnage shipped in 1937 was the largest since 1934 and its value the greatest since 1927.

Production of Crude Petroleum

The production of crude petroleum and natural gasoline during November totalled 445,514 barrels compared with 685,088 in the previous month and 341,627 in the corresponding month of 1937. Alberta's output amounted to 427,236 barrels. Total Canadian output during the eleven months ended November was 6,447,176 barrels compared with 2,587,352 in the corresponding period of 1937.

Glass Industry

Production from the glass industry in 1937 amounted to $14,437,250, the highest since the record year of 1929 when the value was $15,507,442. This year's total was 30 per cent over the 1936 figure which in turn was 11.7 per cent over 1935. Pressed and blown glass was produced to the value of $9,331,245 compared with $7,717,407 in 1936. Production in the cutting, bevelling and ornamental section totalled $5,106,005, a gain of 51 per cent over 1936.

Production from Domestic Clays

The gross value of Canadian producers' sales of domestic clay products totalled $4,516,859 in 1937, an increase of more than 30 per cent over 1936, and the value of the 1937 output was the greatest recorded since 1931. Ontario and Quebec continued to be the largest producers of materials manufactured from Canadian clays. The Ontario total during 1937 was $2,033,845 while shipments by firms operating in Quebec totalled $1,053,153. Commercial production of domestic clay products was reported in every province except Prince Edward Island and the Territories.

Production of Leather Footwear

The November production of leather footwear was two per cent higher than in the previous month and 11 per cent in advance of the corresponding month of 1937, the total being 1,795,979 pairs compared with 1,760,996 the month before and 1,622,765 in November, 1937. The cumulative production, however, was lower, amounting to 20,378,731 compared with 22,723,399 in the corresponding 11 months of 1937.

Shipping in 1938

The registered net tonnage of 118,119 vessels arriving at Canadian ports during the fiscal year ended March 31, 1938 was 90,074,889 tons, of which 75,537 were entered as coastwise, 26,407 sea-going and 16,175 between Canada and the United States on lakes and rivers. The tonnage of cargo brought in by sea-going vessels totalled 12,698,849, while the out-bound cargoes aggregated 13,882,060 tons. The number of vessels built in Canada during the year was 13,074, with a registered net tonnage of 46,944.

Cost of Living

The December cost of living index number for Canada decreased to 83.6 from 83.7 in the previous month, influenced by easier prices for foods. The corresponding index for December, 1937, was 84.3. During the year just closed, fluctuations in the living cost index were less than 1.5 per cent, 84.8 in August representing the peak, while the lowest point recorded was 83.6 in the latest month.

Biscuit, Confectionery, Cocoa and Chocolate Industries

The output of the biscuit, confectionery, cocoa and chocolate industries in 1937 was valued at $49,475,403, an increase of 7.4 per cent over that of 1936. The main products included: chocolate confectionery in bulk, 26,081,561 pounds valued at $5,315,028; chocolate confectionery in dozen bars, 16,398,788 pounds valued at $6,277,799; chocolate confectionery in packages, 8,979,006 pounds valued at $3,110,435; sugar confectionery in bulk, 43,182,598 pounds valued at $5,820,884; plain and fancy biscuits, 41,254 tons worth $10,065,607, and soda biscuits 13,130 tons valued at $4,038,058.

Reports Issued During the Week

1. Monthly Review of Dairy Production, December (10 cents).
2. Production of Leather Footwear, November (10 cents).
3. Price Movements, December (10 cents).
4. Clay and Clay Products Industry, 1937 (15 cents).
5. The Biscuit, Confectionery, Cocoa and Chocolate Industries, 1937 (25 cents).
6. Lasts, Trees and Wooden Shoefindings, 1937 (10 cents).
7. Security Prices and Foreign Exchange (10 cents).
8. Dairy and Poultry Products in Cold Storage, January 1 (10 cents).
9. Meat and Lard in Cold Storage, January 1 (10 cents).
10. Fruit and Vegetables in Cold Storage, January 1 (10 cents).
11. Fish in Cold Storage, January 1 (10 cents).
12. Canadian Milling Statistics, November (10 cents).
13. Canadian Grain Statistics (10 cents).
14. Gypsum Production, November (10 cents).
15. Car Loadings on Canadian Railways (10 cents).
16. The Talc and Soapstone Industry, 1937 (10 cents).
17. Monthly Review of Business Statistics, December (10 cents).
18. The Sporting Goods Industry, 1937 (15 cents).
19. The Mica Industry, 1937 (10 cents).
20. The Glass Industry, 1937 (10 cents).
21. Shipping Report, 1938 (25 cents).
22. Quantity and Value of Fruit Nursery Stock Sales (10 cents).
23. Petroleum and Natural Gas Production, November; Gasoline Sales, October (10 cents).
24. Feldspar and Quartz Mining Industry, 1937 (10 cents).
25. Gold Production, November (10 cents).
26. Asbestos Production, November (10 cents).
27. Rural and Urban Composition of the Canadian Population (35 cents).
28. Steam Railways of Canada, 1937 (50 cents).
