

WEEKLY BULLETIN

Dominion Bureau of Statistics  
Department of Trade and Commerce



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Weekly Review of Economic Conditions

For the second consecutive week, the average of six fundamental factors recorded a gain. The constructive features included high-grade bond prices, bank clearings, and acceleration in speculative trading. Common stocks reversed the upward fluctuation of the four preceding weeks and business factors, including carloadings and wholesale prices, were at a somewhat lower level. Owing to advances in carloadings and bank clearings a gain was shown over the same week of 1938.

The railway freight movement continued heavy but some reaction was shown from the preceding week. Due to the strike in the United States, considerable Canadian coal has been loaded as a precaution against shortage. A sharp increase in the aggregate during the last three weeks has tended to reduce the deficit from last year. The total loadings in the first 19 weeks of the year were 805,325 cars against 844,174 in the same period of 1938.

The decline in grain prices on the Winnipeg exchange was the main influence in reducing the price level in the week of May 19th. The index receded from 73.7 to 73.6. No. 1 Northern wheat averaged 65 against 66 $\frac{1}{4}$  and coarse grains, other than rye, also showed recession. Metal prices on the London market were practically maintained in the week ended May 22nd, the price of electrolytic copper having been unchanged at £47 5s. Lead showed recession while zinc was at a somewhat higher position. Export copper at New York dropped to 9.98 against 10.07 $\frac{1}{2}$ . Sensitive commodities on the New York market were mainly higher.

High-grade bonds were decidedly strong during the week of May 18th, the average yields of the issues included in the index dropping from 3.08 to 3.00. Advances during the last two weeks have gone far toward counterbalancing the reaction during the seven weeks ended May 7th. The 4's of 1947-52 were 107 $\frac{1}{4}$  on May 22nd against 107 on the 16th. British Consols showed a moderate rise, while selected high-grade United States bonds declined slightly.

The moderate rally in common stock prices in process during the preceding four weeks was reversed in the week under review. The index of 95 stocks dropped from 99.9 to 99.1. Four of the nine industrial groups showed advance and the index of 15 power and traction stocks rose from 60.9 to 61.5. The general index was 1.7 per cent below the same week of 1938.

The weekly index based on the above mentioned factors was 109.7 in the week of May 20th against 108.7 in the preceding week. A gain was also shown over the same week of 1938, when the standing was 108.0. The gains over the preceding week and the same week of 1938 were 0.9 per cent and 1.6 per cent, respectively.

Weekly Index with the Six Components  
1926=100

Week Ended	Car loadings <sup>1</sup>	Wholesale Prices	Capitalized Bond Yields <sup>2</sup>	Bank Clearings <sup>3</sup>	Prices of Common Stocks	Shares Traded	Weekly Index <sup>4</sup>
May 21, 1938	75.4	80.3	163.1	79.7	100.8	179.4	108.0
May 13, 1939	88.6	73.7	157.5	90.4	99.9	68.0	108.7
May 20, 1939	84.8	73.6	161.8	93.8	99.1	71.3	109.7

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.





### Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending May 19 totalled 1,254,722 bushels compared with 1,056,368 in the previous week and 605,716 in the corresponding week last year. The totals follow by provinces, with figures for the corresponding week last year in brackets: Manitoba, 162,740 (220,899) bushels; Saskatchewan, 636,216 (149,018); Alberta, 455,766 (235,799).

Marketings during the forty-two weeks ended May 19 aggregated 275,430,056 bushels in comparison with 117,610,133 in the corresponding period of the previous crop year. The totals follow by provinces: Manitoba, 42,522,657 (36,669,935) bushels; Saskatchewan, 110,358,485 (25,172,771); Alberta, 122,548,914 (55,767,427).

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### Overseas Export Clearances of Wheat

Overseas export clearances of wheat during the week ending May 19 advanced to 3,308,916 bushels from 1,589,499 in the corresponding week last year. Imports into the United States for consumption and milling in bond for re-export were also higher, total-ling 340,000 bushels as against 13,000. Overseas export clearances during the period August 1 to May 19 aggregated 102,502,290 bushels compared with 61,315,324 in the corresponding period last year, while imports into the United States totalled 7,935,093 bushels as compared with 2,043,249.

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### Wheat Stocks in Store

Canadian wheat in store for the week ending May 19 amounted to 123,602,362 bushels compared with 129,122,973 in the previous week and 36,019,493 in the corresponding week last year. The amount of Canadian wheat in the United States was 1,985,000 bushels compared with 1,005,000 the week before and 688,000 a year ago. Wheat in rail transit totalled 10,256,836 bushels compared with 2,249,244 last year, and the total in transit on the lakes was 4,935,976 bushels compared with 2,761,125.

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### Sales of New Motor Vehicles

Sales of new motor vehicles in April were lower than in the corresponding month last year but were higher than in the previous month. The total was 17,375 units valued at \$18,806,536 compared with 10,100 at \$11,002,898 in the previous month and 20,734 at \$23,022,952 in April last year. During the first four months of the year, 39,093 new motor vehicles were sold for a total of \$42,745,425 compared with 46,948 at \$52,053,573 in the corresponding period last year.

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### Production of Automobiles in April

Production of automobiles in April at 16,891 units compares with an output of 17,549 in March and 18,819 in April, 1938. This month's total included 12,791 passenger cars and 4,100 trucks, of which 10,203 passenger cars and 2,921 trucks were made for sale in Canada. During the four months ending April 6, 63,534 cars were produced against 69,311 in the corresponding period of 1938.

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### Financing of Motor Vehicle Sales

Financing of motor vehicle sales continues below the level of a year ago, records for April showing a total of 16,085 new and used motor vehicles financed for \$6,864,479, compared with 20,910 for \$9,402,482. In the previous month the total was 10,344 vehicles financed for \$4,278,468. During the first four months of the year, 39,526 vehicles have been financed for \$16,718,443 compared with 48,326 units financed for \$21,508,472 in the corresponding period last year.

Financing of sales of new motor vehicles in April declined 32 per cent in number and 33 per cent in amount from April, 1938. There were 4,664 new vehicles financed for \$3,363,538 compared with 6,809 transactions involving \$5,012,238 a year ago. In the used vehicle field, declines were 19 per cent in number and 20 per cent in amount, there being 11,422 vehicles financed for \$3,500,941 compared with 14,101 involving \$4,390,244..

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### Sales of Manufactured Gas

Sales of manufactured gas during the first three months of 1939 totalled 3,840,794,000 cubic feet, including 1,350,650,000 cubic feet sold in January, 1,219,670,000 in February and 1,270,474,000 in March. During the first quarter of 1938 sales amounted to 3,892,766,000 cubic feet.

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### Production of Concentrated Milk

Production of concentrated milk in April totalled 13,304,437 pounds compared with 15,335,710 in the corresponding month last year. In the previous month the total was 9,636,230 pounds. The output of items under the head of concentrated whole milk amounted to 10,425,299 pounds compared with 7,299,672 the month before and 12,215,144 a year ago. Concentrated milk by-products totalled 2,879,138 pounds in April, 2,336,558 in March and 3,120,566 in April, 1938.

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### World Price Movements

A slightly firmer tendency was discernible in world wholesale price index levels in the final quarter of 1938. A representative list of nineteen leading commercial countries showed that, compared with September, index levels in December were higher in nine countries, unchanged in four and lower in six. Increases were mostly confined to countries which had experienced some form of currency depreciation over the past year. Recessions, on the other hand, were particularly marked in countries with a surplus of primary products.

With the exception of two or three countries, notably France, Japan and China, cost of living indexes have shown relatively smaller fluctuations than wholesale series. This was the case both in the final quarter of 1938 and during the year as a whole. On balance, however, retail indexes paralleled the steadier tendency evidenced by wholesale prices in the fourth quarter. Cost of living indexes for eight out of a group of eighteen countries showed increases for December over September while five were unchanged and six declined.

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### Retail Prices, Rents and Costs of Services

The April index number of retail prices, rents and costs of services on the base 1926=100 was unchanged from the previous month at 82.9, being exactly the same for the past three months. In April last year it was 84.2.

An index for retail commodity prices alone, including foods, coal, coke, household requirements, books, tobacco, etc., was 77.3, the same as for the previous month.

For the third consecutive month an index for 46 food items stood at 74.5. The movement of wholesale food prices during this period has been very gradually upward. As between March and April, declines outnumbered advances among retail food prices but the latter were sufficiently important to offset losses recorded. The following gains were indicative of higher meat prices: Sirloin beef from 27.2 cents to 27.6 cents, mutton from 23.8 cents to 24.4 cents and fresh pork from 21.2 cents to 21.3 cents per pound. Potatoes advanced half a cent to 27.2 cents per peck. Grade "A" eggs fell from 30.1 cents to 28.2 cents per dozen, while an average of Grades "B" and "C" was 23.9 cents as against 25.2 cents in March. Butter prices registered fractional gains, as did also canned vegetables. Bacon moved down from 30.5 cents to 30.3 cents per pound and veal from 16.7 cents to 16.6 cents per pound. Codfish and finnan haddie averaged 18.1 cents and 16.9 cents per pound, respectively, as compared with 18.3 cents and 17.2 cents for the previous month. Pepper fell from 35.2 cents to 34.9 cents per pound.

The fuel index declined from 85.4 to 85.2, following a seasonal recession in the coal sub-index from 87.1 to 86.8.

A slight rise from 93.4 to 93.5 in the index for miscellaneous items was due to an increase in the tax levied on gasoline by the Province of Ontario.

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### Live Stock in Roumania

The live-stock population of Roumania in 1935 was distributed as follows: 2,165,000 horses, 4,326,000 horned cattle, 11,836,000 sheep, 421,000 goats and 2,969,000 swine. Exports of live stock are fairly important.





Births, Deaths and Marriages

Births registered in April in 67 cities and towns numbered 7,375, deaths 4,401 and marriages 2,931 compared with 6,913 births, 4,606 deaths and 2,933 marriages in April last year. Births registered during the four months ended April totalled 28,319, deaths 19,004 and marriages 9,327 as against 27,341 births, 18,181 deaths and 9,646 marriages during the corresponding four months of last year.

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Reports Issued During the Week

1. Registration of Births, Deaths and Marriages, April (10 cents).
  2. Canadian Grain Statistics (10 cents).
  3. Automobile Production, April (10 cents).
  4. Sales of New Motor Vehicles, April (10 cents).
  5. World Price Movements (25 cents).
  6. Production of Concentrated Milk, April (10 cents).
  7. Weekly Index Numbers of Wholesale Prices (10 cents).
  8. Prices and Price Indexes, April (10 cents).
  9. Financing of Motor Vehicle Sales, April (10 cents).
  10. Security Prices and Foreign Exchange (10 cents).
  11. Canal Statistics, 1938 (25 cents).
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