

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

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A Weekly Index

There are six indexes available on a weekly basis in Canada that reflect the general economic trend. These cover respectively:

Business - carloadings and wholesale prices,
Finance - bank clearings and bond yields, and
Speculation - common stock prices and shares traded.

Notes on the indexes follow:

The railway traffic movement showed expansion in the second week of July counterbalancing the greater part of the recession of the preceding week. The index of carloadings was 95.0 against 93.7 in the 28th week of the year. Advances were recorded in both the eastern and western divisions, the index for the former having risen from 88.7 to 90.3. The general index recorded a gain of nearly 20 p.c. over the same week of 1939 when the standing was 79.3.

Wholesale prices recorded a moderate advance in the week of July 19, the index rising from 81.7 to 82.0. Increases were shown in crop products, wood and paper, non-metallic minerals and chemicals. Concessions were made in copper and tin on the New York metal market, while lead and zinc were unchanged. No. 1 Northern wheat reflecting pegged prices, remained at 71 3-8 on the Winnipeg exchange.

An advance was recorded in high-grade bond prices during the week of July 18. Dominion bonds moved narrowly but at a slightly higher level compared with the preceding week. An index of capitalized yields showed a gain of 0.4 p.c. over the week of July 13, but a decline of 8.4 p.c. from the same week of 1939.

The adjusted index of bank clearings receded from 84.9 to 83.2, a drop of 2 p.c. A recession of 1.4 p.c. was shown from the same week of 1939 when the standing of the index was 84.4. Common stock prices recorded a gain of about 2 p.c. in the week of July 18, the general index rising from 70.6 to 72.0. The decline, however, from the same week of 1939 was 26.5 p.c., the standing at that time having been 98. Speculative trading was at a very low level during the week under review.

The general index computed by eliminating the long-term trend and weighting inversely the six indexes on the basis of their tendency to fluctuation was 102.7 in the week of July 20 against 102.4 in the preceding week, an increase of 0.3 p.c. The decline from the standing of the same week of 1939 was 0.4 p.c., the index at that time having been 103.2.

A Weekly Index with the Six Components
 1926=100

Week Ended	Car loadings	Wholesale Prices	Capitalized Bond Yields ¹	Bank Clearings ²	Prices of Common Stocks	Shares Traded	Weekly Index ³
July 22, 1939	79.3	72.5	150.2	84.4	98.0	66.1	103.2
July 13, 1940	93.7	81.7	137.0	84.9	70.6	26.6	102.4
July 20, 1940	95.0	82.0	137.6	83.2	72.0	20.6	102.7

1. Present value of a fixed net income in perpetuity from Dominion long-term bonds.
2. 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.
3. 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.

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Business Expansion in June

Business operations recorded a marked gain in June over the preceding month, according to the preliminary calculation of the index of the physical volume of business. Mining, forestry and construction were much more active in the month under review.

A majority of the factors indicating the trend of mineral production showed advances in June after seasonal adjustment. The base metal mining showed acceleration. The receipts of gold at the Mint were 422,257 fine ounces against 401,431. A considerable increase was shown in silver shipments. Recessions were shown in the exports of asbestos and in the output of coal.

The output of sugar was 107.5 million pounds against 93.9 million in the preceding month. The increase in the output of factory cheese was less than normal for the season while production of creamery butter at 40.9 million pounds compared with 27.2 million recorded an adjusted increase. The exports of canned salmon showed a gain over the low level of the preceding month.

The release of cigarettes was 571.3 million against 808.3 million, while cigars declined from 15.8 million to 13.1 million. The production of pneumatic casings was practically maintained in the latest month for which statistics are available. Boot and shoe production showed recession from the high level of the preceding month. Raw cotton consumption, indicating conditions in the cotton textile industry receded from 17.8 million pounds to 15.4 million.

Advances were general in the factors indicating the trend of forestry operations, the index advancing from 142.5 to 160. The index of newsprint production rose about 5 points to 198.5. Gains were recorded in the exports of woodpulp, planks and boards, and shingles. Automobile production was 17,940 units against 21,277, the recession being less than normal for the season.

Construction contracts awarded showed further advance in June, the total having been \$39.1 million against \$28.1 million. The index advanced from 77 to 95. Building permits in 201 cities, on the other hand, showed a recession. The output of electric power recorded further advance to a new high point after the usual adjustment. The railway traffic movement was slightly greater than in the preceding month the total cars loaded having been 239,582 against 236,969. The index after seasonal adjustment, however, receded two points to 87.8. Bank debits at \$2,682 million showed decline from the \$3,340 million high total for May.

Economic Factors in June compared with the preceding month and June 1939.

	June 1940	June 1939	May 1940
Physical Volume of Business Index.....1926-100	*	121.4	140.6
Bank deposits.....1926-100	130.2	124.8	131.0
Gold receipts.....fine-oz.	422,257	458,960	401,431
Cotton consumption.....lb.	15,378,128	10,687,601	17,754,952
Sugar manufactured.....lb.	107,509,859	94,105,028	93,878,138
Cheese, factory production.....lb.	24,066,875	22,648,905	12,560,604
Butter, creamery production.....lb.	40,904,320	41,328,994	21,173,130
Newsprint production.....tons	315,343	240,545	323,563
Automobile production.....No.	17,930	14,515	21,277
Carloadings.....No.	239,582	194,502	236,969
Bank debits.....\$000	2,681,585	2,831,082	3,339,595
Contracts awarded.....\$	39,097,000	25,196,300	28,093,800
Building permits (58 cities).....\$	7,231,786	7,849,970	10,085,971
Cigars released.....No.	13,133,719	11,511,072	15,794,444
Cigarettes released.....No.	571,268,307	657,890,220	808,275,320

* According to preliminary calculations, the index of the physical volume of Business showed a marked increase in June over the preceding month.

Gold Production in April

The Canadian output of gold in April amounted to 418,636 ounces valued at \$16,117,486 compared with 429,862 valued at \$16,549,687 in the previous month and 406,795 at \$14,300,878 in April, 1939. Production during the first four months of 1940 aggregated 1,678,244 ounces or 3.4 per cent above the output a year ago.

Shipments of Cement in April

A sharp increase was reported in the shipments of Portland cement by Canadian producers in April when the total was 419,876 barrels as compared with 252,483 in March and 273,969 in April, 1939. Shipments during the four months ended April advanced to 1,067,221 barrels from 716,886 in the same period of 1939.

Sales of Lime in April

The amount of lime sold or used by Canadian producers advanced in April to 56,994 tons from the total in March of 54,040 and last year's total of 39,308. The total so far this year was considerably higher than it was a year ago, amounting to 210,369 tons as against 147,941.

Production of Crude Petroleum and Natural Gas in April

The Canadian production of crude petroleum moved higher in April, amounting to 634,869 barrels as compared with 570,131 in March and 559,368 in April, 1939. Output during the four months ended April totalled 2,347,445 barrels as compared with 1,835,983 in the same period of 1939.

The April output of natural gas amounted to 3,186,755,000 cubic feet as compared with 3,862,351,000 in March and 3,147,608,000 in April, 1939. Production during the four months ended April totalled 16,204,476,000 cubic feet in comparison with 15,102,911,000 a year ago.

Feldspar and Salt Production

Shipments of feldspar by producers amounted in April to 467 tons compared with 1,159 in March and 609 in April, 1939. During the four months ended April, 6,571 tons were shipped as compared with 2,926 a year ago.

Commercial salt shipments in April totalled 20,900 tons compared with 13,319 in March and 18,818 in April, 1939. The amount shipped during the four months ended April was 58,900 tons compared with 54,217 last year.

Production of Iron and Steel in June

The production of iron and steel in June was lower than in the previous month but was considerably higher than in June, 1939. Output of steel ingots and castings totalled 166,213 tons compared with 174,417 in the preceding month and 107,902 in June, 1939. Pig iron production amounted to 88,656, long tons against 93,254 in May and 52,805 last year. Ferro-alloys output amounted to 10,128 tons as against 10,272 in May and 10,015 a year ago.

Production of steel ingots and castings during the first six months of 1940 aggregated 958,246 tons compared with 580,141 in the same period of 1939. Pig iron output totalled 549,627 tons in comparison with 296,521 in the corresponding period of 1939.

Production of Gypsum in April

The Canadian production of gypsum in April was recorded at 51,049 tons compared with 37,947 in March and 67,617 in April, 1939. The total for the four months ended April was 209,937 tons compared with 104,398 in the corresponding period last year.

Asbestos Production in April

Shipments of asbestos by Canadian producers amounted in April to 30,449 tons as compared with 24,921 in March and 23,921 in April, 1939. During the first four months of 1940 shipments aggregated 103,347 tons as compared with 86,605 in the corresponding period of last year.

Silver Production in April

Silver production in Canada in April amounted to 1,769,839 ounces compared with 1,786,035 in March and 1,465,525 in April, 1939. Output during the four months ended April aggregated 6,898,363 ounces, 16.9 per cent above the output a year ago.

Output of Central Electric Stations

The output of central electric stations in June amounted to 2,578,883,000 k.w.h. compared with 2,671,567,000 in May and 2,245,537,000 in June, 1939, while the production during the first half of 1940 aggregated 14,968,503,000 in comparison with 13,744,252,000 in the corresponding period of 1939.

Output in June, less exports and deliveries to electric boilers, amounted to 1,860,736,000 k.w.h. against 1,941,629,000 in May and 1,586,964,000 in June, 1939. The total for the first half of 1940 aggregated 11,052,976,000 k.w.h. as against 9,518,414,000 in the same period of 1939.

Exports to the United States in June totalled 190,704,000 k.w.h. compared with 193,353,000 in May and 163,063,000 last year and the total for the first half of 1940 was 999,017,000 k.w.h. compared with 954,934,000 a year ago.

Bank Debits to Individual Accounts

During the month of June the amount of cheques passing through the 32 clearing centres was \$2,681,584,968 as compared with \$3,339,595,188 in May and \$2,831,081,944 in June, 1939. The total for the first half of 1940 aggregated \$17,001,690,535 in comparison with \$15,133,303,510 in the corresponding period of 1939.

The totals in June were as follows by economic areas with figures for June 1939 in brackets: Maritime Provinces, \$61,905,410 (\$53,191,597); Quebec, \$745,257,119 (\$931,726,237); Ontario, \$1,253,041,986 (\$1,281,485,815); Prairie Provinces, \$455,418,680 (\$328,822,262); British Columbia, \$165,961,773 (\$175,856,033).

Retail Prices, Rents and Costs of Services

The June index number of retail prices, rents and costs of services on the base 1926=100 was 86.0, unchanged from May. A year ago it was 82.9. An index for retail prices alone, including foods, coal, coke, household requirements, etc. was 81.7 the same as in May, whereas last year it was 77.1.

An index for 46 food items fell from 78.6 to 78.0, due to reductions in veal, pork, bacon, cooked ham, eggs, butter, cheese and potatoes. Sirloin beef, canned tomatoes, onions, sugar and salt recorded higher prices. In June last year the index was 74.3.

Wheat Stocks in Store

Canadian wheat in store on July 19 totalled 282,118,158 bushels compared with 282,251,249 on July 12 and 99,639,397 on the corresponding date last year. The amount of Canadian wheat in the United States was 25,672,988 bushels compared with 26,101,187 a week ago and 7,208,000 last year.

For the week ending July 19 the amount of wheat in transit on the lakes was 2,618,625 bushels compared with 3,491,520 at the end of the previous week and 4,495,009 a year ago. The amount in transit by rail was 22,444,735 bushels as against 23,704,605 a week ago and 7,284,412 in 1939.

Overseas Export Clearances of Wheat

The export clearances overseas of wheat from Canada during the week ending July 19 amounted to 2,689,439 bushels compared with 1,650,752 in the corresponding week last year. The accumulated total from August 1, 1939 to July 19, 1940 was 148,918,253 bushels compared with 126,436,819 a year ago.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the week ending July 19 amounted to 3,829,238 bushels compared with 4,174,470 in the previous week and 1,981,306 a year ago. By provinces the receipts were as follows, with 1939 figures in brackets: Manitoba, 172,402(130,605) bushels; Saskatchewan, 2,541,820(1,019,750); Alberta, 1,115,016(830,951).

Marketings during the 51 weeks ended July 19 aggregated 417,194,423 bushels as compared with 289,163,297 in the corresponding period last year. Totals were as follows by provinces; Manitoba, 52,992,663(44,106,455) bushels; Saskatchewan, 233,474,817(117,178,843); Alberta, 130,726,943(127,877,999).

Production of Concentrated Milk in June

The quantity of concentrated milk and by-products manufactured in June amounted to 26,046,466 pounds compared with 21,981,113 in June, 1939. The totals for June this year comprise 20,874,062 pounds in the classification of whole milk products and 5,172,404 classed as by-products compared with 17,238,706 and 4,742,407 pounds, respectively in June last year. The total amount produced in the six months ended June was 95,702,439 pounds compared with 75,755,244 in the corresponding period of 1939.

Financing of Motor Vehicle Sales

The sales of 21,169 new and used motor vehicles were financed in June to the extent of \$8,878,215 compared with 18,715 for \$7,506,101 in June, 1939, recording gains of 13.1 per cent in number of units financed and 18.3 per cent in amount of financing. During the first half of 1940, 95,542 vehicles were financed for \$41,260,600 compared with 80,773 vehicles financed for \$33,848,144 in the same period of 1939.

Exports of Lumber in June

June exports of planks and boards were valued at \$6,640,000 in comparison with \$4,741,000 in June, 1939. Purchases by the United Kingdom amounted to \$4,374,000 and by the United States \$1,688,000. Exports of spruce were valued at \$2,959,211, Douglas fir \$2,216,997, birch \$286,400, cedar \$479,889, hemlock, \$221,927, pine \$409,594.

Exports of Newsprint Paper

Canada's exports of newsprint paper recorded a substantial increase in June, when the total was 6,413,093 cwt. valued at \$15,168,194 as compared with 4,893,105 at \$10,681,411 in June, 1939. The United States took 4,927,386 cwt., the United Kingdom 471,178, Australia 153,743, Argentina, 145,784, Brazil, 82,381, Mexico 77,977, British South Africa 65,012, British India 61,565, China 56,517, Uruguay 52,391. In all there were 44 markets.

Exports of pulpwood increased to \$1,674,000 in June from \$1,465,000 in June, 1939, all of which went to the United States. Wood pulp exports totalled \$5,786,000 compared with \$1,925,000. Shipments to the United States were valued at \$4,308,000 and to the United Kingdom \$872,000.

Exports of Gasoline and Naphtha

A sharp increase was recorded in Canada's exports of gasoline and naphtha in June, when the total was 712,466 gallons as compared with 27,283 in June, 1939. Newfoundland took 684,110 gallons, St. Pierre 28,336 and the United States the balance.

Exports of Rubber in June

Exports of rubber declined in June to \$934,000 from \$1,405,000 a year ago. Pneumatic tire casings shipped abroad were valued at \$371,501, boots and shoes of rubber or part rubber \$344,515, rubber belting \$40,047, and inner tubes \$49,063.

Registration of Births, Deaths and Marriages

Births registered in 67 cities and towns in June having a population of 10,000 and over numbered 8,573, deaths 4,122 and marriages 7,320, as compared with 7,576 births, 4,094 deaths and 4,981 marriages in June last year, showing increases of 13 per cent in births, one-half per cent in deaths and 47 per cent in marriages.

Fisheries of British Columbia

The marketed value of the fisheries products of British Columbia in 1939 totalled \$17,698,980 as compared with \$13,672,750 in 1938. The famed salmon fishery of this province had a product valued at \$12,994,812, this amount accounting for 73 per cent of the total fisheries output of the province. The bulk of the salmon is marketed as canned and for this product the chief markets have been found abroad, with countries of the British Empire taking the major part. The herring and halibut fisheries are second and third, respectively.

Reports Issued During the Week

1. Canadian Grain Statistics (10 cents).
2. Births, Deaths and Marriages, June (10 cents).
3. Feldspar and Salt Production, April (10 cents).
4. Petroleum and Natural Gas Production, April; Gasoline Sales, March (10 cents).
5. Cement, Clay Products and Lime, April (10 cents).
6. Fruit Crop Report (10 cents).
7. Tobacco Crop Report (10 cents).
8. Security Prices and Foreign Exchange (10 cents).
9. Exports of Rubber and Insulated Wire and Cable, June (10 cents).
10. Exports of Petroleum and Its Products, June (10 cents).
11. Exports of Pulpwood, Wood Pulp and Paper, June (10 cents).
12. Exports of Lumber, June (10 cents).
13. Exports of Farm Implements and Machinery, June (10 cents).
14. Car Loadings (10 cents).
15. Advance Report of the Fisheries of British Columbia, 1939 (10 cents).
16. Gold Production, April (10 cents).
17. Canada's Domestic Exports by Principal Countries, June (10 cents).
18. The Salt Industry, 1939 (25 cents).
19. Asphalt Roofing Industry, June (10 cents).
20. Financing of Motor Vehicle Sales, June (10 cents).
21. Silver Production, April (10 cents).
22. Gypsum Production, April (10 cents).
23. Prices and Prime Indexes, June (10 cents).
24. Bank Debits to Individual Accounts, June (10 cents).
25. Output of Central Electric Stations, June (10 cents).
26. Production of Iron and Steel, June (10 cents).
27. Lumber Distribution and Consumption in Canada and United States, 1938 (35 cents).
28. Population and Agriculture, Census of Alberta, 1936 (50 cents).
29. Asbestos Production, April (10 cents).
30. Production of Concentrated Milk, June (10 cents).
31. Weekly Index Numbers of Wholesale Prices (10 cents).
32. Telegraphic Crop Report, Prairie Provinces (10 cents).

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