

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



Vol. VIII-No. 12

Ottawa, Saturday, October 19, 1940.

Price \$1.00 per annum

Weekly Indexes

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 capitalized bond yields,
Speculation - common stock prices and shares traded,
 Notes on the indexes follow:

The movement of railway freight showed recovery in the Western division during the week of October 12th. The index for the division rose from 77.2 to 80.7, while the Eastern division recorded a minor recession. The net result was that the seasonally adjusted index rose from 84.4 in the week of October 5th, to 85.9 in the period under review. The traffic movement was represented by carloadings which amounted to 64,522 against 63,578 in the preceding week. The traffic movement has been relatively low in recent weeks in the face of one of the largest grain crops in history and an exceedingly high level of productive operations. The record of carloadings is adversely affected by the congested condition in the wheat trade.

A minor advance was shown in wholesale prices during the week of October 11, the index rising from 83.0 to 83.1. Advances were shown in animal products, wood and paper and chemicals, while other main groups were practically maintained. Sensitive commodities showed an upward tendency, the index of 18 commodities on the base of 1926 rising from 65.0 to 65.2, advances having been shown in manufacturing materials and foodstuffs. The level of wholesale commodity prices has been relatively stable since the beginning of the year following the marked advance during the last four months of 1939.

High-grade bond prices showed further strength on the Canadian market. The daily index was unchanged at 115.7 p.c. for the first two days but then advanced to 115.8 on the 7th, and remained at that level for the balance of the week. Common stock prices, on the other hand, receded slightly during the week under review, the index dropping from 82.8 to 82.7. Increase was shown in the index for two industrial mines, the advance having been from 316 to 324. Moderate recovery has been shown in common stock prices since July following the reaction during May and June. Speculative trading remained at a relatively low level during the week under review. A decline was shown in the adjusted index of bank clearings, the result being affected by limited trading on the stock and grain markets.

The weekly index based on the above-mentioned factors was 104.9 in the week of October 12, against 105.3 in the preceding week, a decline of 0.3 p.c. The standing one year ago was 101.9, an increase of 3 p.c. having been indicated.

A Weekly Index With Six Components 1926-100

Week Ended	Car load-ings	Whole-sale Prices	Capitalized Bond Yields 1	Bank Clear-ings 2	Prices of Common Stocks	Shares Traded	Weekly Index
Oct. 14, 1939	86.1	78.0	129.5	90.4	103.4	137.3	101.9
Oct. 5, 1940	84.4	82.9	140.3	99.7	82.8	20.3	105.3
Oct. 12, 1940	85.9	83.1	140.8	94.1	82.7	25.6	104.9

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 the 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 the year 1926.

Wheat Stocks in Store

Canadian wheat in store on October 11 amounted to 421,598,598 bushels compared with 411,324,465 on October 4 and 319,973,052 on October 13, 1939. The amount in the elevators in Canada totalled 383,732,526 bushels compared with 373,512,622 on the previous reporting date and 306,546,052 on the same date last year. Canadian wheat in the United States amounted to 37,866,072 bushels compared with 37,811,843 a week ago and 13,427,000 last year.

Overseas Export Clearances of Wheat

During the week ending October 11 the export clearances overseas of Canadian wheat amounted to 1,296,065 bushels compared with 1,300,394 in the corresponding week last year. Clearances during the ten weeks ended October 11 aggregated 16,799,751 in comparison with 25,310,721 in the same period last year.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the week ended October 11 amounted to 13,222,481 bushels compared with 24,747,852 in the previous week and 22,638,321 in the corresponding week last year. The totals follow by provinces, with 1939 figures in brackets: Manitoba 1,379,262(786,183) bushels; Saskatchewan 7,513,885(13,525,654); Alberta, 4,329,334(8,326,484).

Marketings during the ten weeks ended October 11 aggregated 168,235,090 bushels compared with 273,536,463 in the corresponding period of the previous crop year. Totals were as follows by provinces: Manitoba 27,045,173(45,549,315); Saskatchewan 99,640,662(158,179,687); Alberta 41,549,255(69,907,461).

Canada's Domestic Exports

In September Canada's exports, excluding gold, amounted to \$101,440,000 as compared with \$81,461,000 in the same month last year. Exports to Empire countries were valued at \$57,552,000 as against \$37,287,000 last year, and to other countries \$43,888,000 as compared with \$44,174,000 in September 1939.

The following figures show the trend of Canada's exports, figures for 1939 being in brackets: United Kingdom \$44,402,000(\$29,189,000); United States \$39,528,000(\$34,132,000).

Exports to Empire countries: Br. South Africa \$3,715,000(\$2,043,000); Australia \$2,721,000(\$1,632,000); British West Indies \$1,753,000(\$903,000); Newfoundland \$1,405,000(\$992,000); British India \$1,129,000(\$568,000).

Exports to other countries: Japan \$958,000(\$3,557,000); Egypt \$481,000(\$23,000); Sweden nil(\$155,000); Switzerland nil(\$81,000).

Canada's total exports, excluding gold, for the nine months ending September amounted to \$860,909,000 as compared with \$636,309,000 for the same period last year.

Large gains were recorded in the export of wheat flour, fishery products, meats, cheese, cotton, planks and boards, shingles, wood pulp, newsprint, pigs, ingots, etc., farm implements, stone and automobiles and parts. Decreases were shown in barley, wheat, rubber, unmanufactured leather, silk, wool, rolling mill products, silver and asbestos.

Department Store Sales in September

Department store sales in September were maintained within narrow limits of the high volume of business transacted during the first month of the war in September a year ago. Dollar sales were three per cent lower in September this year than last but were up 14 per cent from August. The unadjusted index of sales on the base 1930 equals 100 stood at 86.6 for September, 89.5 for September 1939 and 76.2 for August. Cumulative figures for the first eight months of 1940 are 14 per cent above the corresponding period of 1939.

Weekly Index Numbers of Wholesale Prices

The general wholesale commodity index rose to 83.1 during the week ended October 11 from 83.0 for the week of October 4. Animal Products, Wood and Chemicals moved higher, but Vegetable Products lost most of the increase made in the previous week. So far this year, wholesale commodity prices, in general, have remained relatively stable. At its present level, the index is 11.2 above the low of 71.9 touched in the week of August 18, 1939, but still falls 4.6 short of the high of 87.7 reached in the week of July 16, 1937.

Stocks of Foreign Corn

Stocks of foreign corn in Canada on October 11 amounted to 4,044,365 bushels, including 2,665,874 from the United States, 1,189,878 from Argentina and 188,613 from South Africa. On the corresponding date last year the stocks totalled 5,045,277.

Canal Traffic in September

Traffic on the Great Lakes and St. Lawrence Canals totalled 13,002,486 tons in September compared with 11,492,582 tons in the same month last year. A heavy movement of iron ore offset the decrease in grain as ore shipments rose to 10,452,128 tons from 7,985,295 last year, and wheat dropped from 35,096,670 in 1939 to 21,291,592 this year. Structural steel and gasoline shipments also increased over last year.

In the Welland Ship Canal total traffic registered an increase of approximately 51,000 tons over last year, while traffic on the St. Lawrence Canals dropped from 1,216,010 tons in September 1939 to 992,318 this year.

Pulp and Paper Industry

The manufacture of pulp and paper has been consistently one of the most important industries in Canada during the last two decades. The gross value of production of wood-pulp and paper in 1939 was \$208,152,295, an increase of 13.2 per cent over 1938 and a decrease of 14.7 per cent from the production in the peak year of 1929.

Production of Concentrated Milk

The Canadian production of concentrated milk products in September totalled 17,011,074 pounds compared with 20,903,192 in the previous month and 15,465,632 in September, 1939. For the nine months ended September the output of all items aggregated 156,349,999 pounds compared with 127,583,828 in the corresponding period last year.

Food Chains in 1939

Final figures relating to the operations of food chains in Canada during 1939 vary but little from those contained in the preliminary bulletin issued earlier in the year. Total sales of the 2,044 stores included in this survey amounted to \$127,945,900 or 30.7 per cent of the total annual business of all similar stores including both chains and independents. In 1938 there were 2,212 stores reporting with sales amounting to \$121,371,500 forming 29.4 per cent of the total annual business of all food stores. Ratios of chain to-total sales for earlier years were 29.3 per cent for 1937, 28.9 per cent for 1936, and 28.5 per cent for 1935.

Results on a provincial basis show that food chain sales increased in 1939 over 1938 in all provinces excepting Quebec while figures for individual cities of 30,000 population or over reveal that increases were general excepting in Montreal, Halifax and St. John. Food chain sales in British Columbia averaged 13 per cent higher in 1939 than in 1938, Vancouver sales were up by 19 per cent and Victoria 14 per cent. Alberta sales were up by 4 per cent with results for Calgary and Edmonton slightly better than the provincial average. Sales in Saskatchewan were up 10 per cent but the increase for Saskatoon was considerably greater at 17 per cent. Regina sales were up by 13 per cent. Chain sales in Manitoba gained 17 per cent. Ontario reported a gain of 7 per cent, results for individual cities ranging from an increase of 2 per cent in London to 16 per cent in Kitchener. Toronto chain sales were up 4 per cent, Hamilton 8 per cent and Ottawa 11 p.c.

Retail Merchandise Trade in Quebec

The annual business of retail trading establishments in Quebec province was up slightly in 1939 from the preceding year and was approximately equal to the dollar volume transacted in 1937, according to calculations made for the annual survey of retail trade conducted by the Dominion Bureau of Statistics. Total sales were estimated at \$564,537,000 in 1939 compared with \$561,192,000 in 1938 and \$565,921,000 in 1937. Indexes of sales on the base 1930 equals 100 stand at 86.7 for 1939, 86.2 for 1938 and 86.9 for 1937.

Commercial Failures in July

The number of commercial failures reported in July this year was 105 with estimated grand total assets of \$666,560 and grand total liabilities of \$902,845. In July last year, 117 failures were reported with assets totalling \$1,320,803 and liabilities amounting to \$1,370,645.

Automobile Production in September

Production of automobiles in September amounted to 15,475 units, including 3,410 passenger cars and 12,065 trucks. This output compared favourably with the previous month's production of 13,993 and the 3,922 units produced in September 1939.

For the first nine months of this year the output was reported at 154,848 units, including 80,603 passenger cars and 74,245 trucks.

Fur Production in Canada

Ontario with \$2,538,658 and Quebec with \$2,230,280 are the leading provinces with respect to value of raw fur production. New Brunswick, Alberta, Prince Edward Island, the Northwest Territories, Manitoba and British Columbia follow in the order named, each with a value of over a million dollars.

Silver fox pelts have the highest valuation and in the 1938-39 season were produced to the value of \$5,660,722, with Mink and Muskrat next in order.

Canada's chief markets for furs are London and New York. During the 12 months ended June 30, 1939, Canada exported \$14,288,568 worth of raw furs, \$8,436,144 worth going to the United Kingdom and \$5,087,038 to the United States.

Car Loadings

Car loadings for the week ended October 12 amounted to 64,522 cars, as against 63,578 for the previous week and 68,965 a year ago.

Miscellaneous freight was up by 4,718 cars, merchandise by 1,946, lumber by 1,238 and livestock by 487, while grain showed a decrease of 3,528 cars and other commodities showed minor changes.

Reports Issued During the Week

1. Summary of Canal Traffic, September 1940 (5 cents).
2. Preliminary Report on the Pulp and Paper Industry, 1939 (30 cents). ✓
3. Canada's Domestic Exports by Principal Countries, excluding gold (10 cents).
4. Canadian Grain Statistics (20 cents).
5. Preliminary Statistics on the Manufactures of Non-Ferrous Metals, 1939 (10 cents). ✓
6. Commercial Failures, July (10 cents).
7. Weekly Index Numbers of Wholesale Prices (10 cents).
8. Summary of Canada's Domestic Exports, September (10 cents).
9. Department Store Sales, September (10 cents).
10. Food Chains in Canada, 1939 (10 cents). ✓
11. Retail Merchandise Trade in Quebec, 1939 (10 cents).
12. Production of Concentrated Milk, September (10 cents).
13. Automobile Production, September 1940 (10 cents).
14. Fur Production in Canada, 1938-39 (25 cents). ✓
15. Car Loadings.

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010729971