

Dominion Bureau of Statistics

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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 railway traffic movement showed minor advance in the second week of April. An advance in the movement of freight in the eastern division over the preceding week contrasted with a recession in the west. The traffic during the first fifteen weeks of the year was 814,000 cars, a considerable advance over the same period of 1940.

Wholesale prices were steady in the week of April 11, the general index remaining at 86.5. Minor gains were shown in animal products and non-ferrous metals, while textiles recorded a recession. Sensitive commodities, on the other hand, recorded an increase, the index rising from 70.2 to 70.7. Advances were recorded in manufacturing materials and in foodstuffs.

A further decline was shown in common stock prices, the recession in the index amounting to nearly 1 point at 72.8. Speculative trading was at a particularly low point. Bank clearings recorded decline from the high level of the preceding month, the adjusted index having been 102.7 against 118.9. The price of high-grade bonds was practically unchanged.

A weekly index representing the average fluctuations in the above-mentioned factors, was 109.9 in the week of April 12, against 112.3 in the preceding week, a decline of 2.2 per cent. The standing was still 4 per cent above that of April 13, 1940, the index at that time having been 105.6.

A Weekly Index with Six Components on Basis
1926-100

Week Ending	Car load- ings	Whole- sale Prices	Capitalized Bond Yields 1	Bank Clear- ings 2	Prices of Common Stocks	Shares Traded	Weekly Index 3
April 12, 1941	95.9	86.5	144.7	102.7	72.8	19.9	109.9
April 5, 1941	95.7	86.5	144.7	118.9	73.7	26.9	112.3
April 13, 1940	82.0	83.2	138.3	98.1	98.8	80.2	105.6

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 inter-war period has been eliminated from the composite and the resulting index expressed as a percentage of the average during the year 1926.

Economic Conditions in March

An average of six fundamental factors was higher in March than in the preceding month, gains having been shown in wholesale and bond prices. The deposit liabilities of the banks including the demand and notice accounts, recorded a further gain at the beginning of March, an index after seasonal adjustment, rising from 144.2 to 148.1.

Preliminary data for March indicate a recession in business operations from the relatively high level of the preceding month. Further gains were shown in the movement of gold and silver. The gold receipts at the Mint were 426,842 ounces against 411,880 ounces in the preceding month. Silver shipments rose from 1,299,000 ounces to 1,522,000 ounces.

The manufacture of sugar was at a greatly higher level in March than in February, the index even after seasonal adjustment, rising from 87 to 112. Hog slaughterings featured the meat packing industry, the index advancing from 166.5 to 173, while recessions were shown in cattle and sheep. The general index of slaughterings rose from 123.8 to 124.5. The index of cheese production rose from 139 to 153, while the recession in the index of butter production was from about two points to 115.5. The consumption of cotton was 16.8 million pounds, against 16.6 million pounds in February. The index of the total use of cotton rose about five points to 174.7.

Owing to the expansion in newsprint production and the exports of wood pulp and planks and boards the forestry index showed an appreciable rise to 125.6. The production of newsprint was 275,769 tons against 245,607 tons. The index of the exports of wood pulp and planks and boards was at a considerably higher level, while shingles recorded a decline. The value of contracts awarded was nearly \$14 million against \$24.7 million in February, the index recording a marked decline. The movement of railway traffic was higher in March even after seasonal adjustment; the total number of cars moved was 249,698 against 217,533.

Economic Conditions in March 1941 Compared With the Same Month of 1940

		March 1941	March 1940	February 1941
Physical Volume of Business 1935-39=100-	*		106.3	126.1
Gold Receipts	fine oz.	426,842	355,571	411,880
Silver shipments	fine oz.	1,521,725	1,894,822	1,299,088
Factory cheese production	lb.	1,459,887	2,793,160	958,556
Creamery butter production	lb.	12,346,048	10,526,374	9,958,973
Hog Slaughterings	no.	503,916	379,408	492,998
Cattle and Calves Slaughterings	no.	116,858	112,405	91,675
Cotton consumption	lb.	16,803,419	16,060,216	16,603,876
Newsprint production	tons.	275,769	251,279	245,607
Shingles exported	squares	273,907	215,785	276,916
Planks and boards exported	M ft.	169,810	145,451	151,941
Carloadings	no.	249,698	195,106	217,533
Sugar manufactured	lb.	60,847,403	34,862,788	43,313,001
Contracts Awarded	\$000	13,992	11,726	24,705
Canned Salmon exports	cwt.	18,410	24,863	34,388
Automobile production	no.	26,044	16,612	23,710

* According to preliminary calculations the index of the physical volume of business showed decline in March from February.

World Shipments of Wheat

World shipments of wheat during the week ending April 12 amounted to 9,000,000 bushels compared with 8,274,000 in the previous week and 11,097,000 in the corresponding week last year. Shipments during the period August 1, 1940, to April 12, 1941, amounted to 187,332,000 bushels as compared with 362,166,000 in the corresponding period of the previous crop year.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending April 11 totalled 3,514,117 bushels compared with 3,696,258 in the previous week and 1,378,667 in the corresponding week last year. By provinces the receipts were as follows, figures within brackets being those for 1940; Manitoba, 306,995(132,945) bushels; Saskatchewan, 1,691,460(815,838); Alberta, 1,515,662(429,883).

Marketings in the three provinces for the thirty-six weeks ending April 11 totalled 346,698,877 bushels compared with 383,684,314 in the corresponding period of the previous crop year. Marketings follow by provinces, with 1940 figures in brackets: Manitoba 45,368,868(50,735,767); Saskatchewan, 181,095,653(213,687,454); Alberta, 120,234,356(119,261,093).

Wheat Stocks in Store

The visible supply of Canadian wheat on April 11 totalled 474,011,149 bushels compared with 479,386,441 on April 4 and 309,534,631 on the corresponding date in 1940. The amount in store in elevators in Canada on the latest date totalled 435,983,104 bushels compared with 438,598,719 a week ago and 288,664,571 in 1940. Canadian wheat in the United States on April 11 amounted to 38,028,045 bushels compared with 40,787,722 a week ago and 20,869,960 last year.

Overseas Export Clearances of Wheat

Overseas export clearances of wheat during the week ending April 11 amounted to 7,687,019 bushels compared with 2,489,469 in the corresponding week in 1940. Clearances during the thirty-six weeks ending April 11 aggregated 95,253,213 bushels compared with 106,488,969 in the corresponding period of the previous crop year.

Increase in Gold Receipts

Receipts of gold at the Mint amounted to 426,842 fine ounces in March compared with 411,880 in February and 355,571 in March, 1940. The gain was 20 per cent over the same month of last year, and with the exception of March, 1939, was the greatest amount in that month since statistics were recorded.

At the buying rate of 10 per cent, premium on United States funds fixed by the Foreign Exchange Control Board Canadian mines received \$38.50 per fine ounce minus 35 cents an ounce to cover cost of realization in the New York market and less the regular assaying and refining charges.

Production of gold last year was 5.3 million fine ounces, valued at \$204.2 million, the output in the preceding year was 5.1 million ounces worth \$184.2 million. The gains were 4.09 per cent in output and 10.86 in value.

Cost of Living in March

The cost of living index on the base 1935-1939=100 stood at 106.2 in March, unchanged from the February compilation but was 3.6 points higher than in March, 1940. A decline from the previous month in the miscellaneous group balanced fractional gains for foods, fuel, clothing and home-furnishings and services. The miscellaneous index fell from 103.1 in the previous month to 102.9, due mainly to price decreases for scrap and tobacco products. The food index moved up from 108.8 to 109.0, fuel and light from 108.7 to 108.9, clothing from 114.1 to 114.2, and home-furnishings and services from 111.5 to 111.6. The rental index remained at 107.7.

Department Store Sales in March

Favorable weather throughout most of Canada during March had a stimulating effect on early spring purchasing. The influence of this factor is revealed in a 17 per cent gain in department store sales in March, 1941; over March last year, notwithstanding the fact that Easter occurred in March a year ago. Poor weather conditions in March last year acted as a deterrent to the heavy purchasing which normally occurs during the pre-Easter period. March sales increased 18 per cent over February this year. Unadjusted indexes, on the base 1935-1939 equals 100, stood at 111.3 for March this year, 95.4 for March 1940 and 94.4 for February, 1941.

Production of Automobiles

Production of motor vehicles in Canada totalled 26,044 units in March compared with 23,710 in the previous month and 16,612 in March, 1940. Output during the first quarter of this year aggregated 72,949 units compared with 52,018 in the corresponding period of 1940.

Reports Issued During the Week

- 1- Production of Automobiles, March (10 cents)..
 - 2- Price Movements, March (10 cents).
 - 3- Department Store Sales, March (10 cents).
 - 4- Dairy Factories, 1939 (25 cents).
 - 5- Health, Education and Medical Services in Canadian Schools (25 cents).
 - 6- Stocks of Grain at March 31, Canada (10 cents).
 - 7- Manufacturing in Canada, 1938 (50 cents).
 - 8- Canadian Grain Statistics (10 cents).
 - 9- Weekly Index Numbers of Wholesale Prices (10 cents).
 - 10- The Sand and Gravel Industry, 1939 (25 cents).
 - 11- The Grain Situation in Argentina (10 cents).
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