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DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - *Historical File Copy*
INTERNAL TRADE BRANCH

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PRICE MOVEMENTS, NOVEMBER, 1935. (PRELIMINARY)

COMMODITIES

Following a short reaction in the second half of October, the Dominion Bureau of Statistics weekly index of wholesale prices again moved upward from 72.4 to 72.9, between the first and third weeks of November. The index for the fourth week was also 72.9 as compared with 71.2 for the corresponding period of 1934. Price movements for basic commodities were inclined to be erratic during November. Grain markets were weaker for the first ten days, and then strengthened moderately. Eggs after remaining firm at relatively high levels for the first half of the month, subsequently lost practically all of gains made earlier in October. Cattle were firm, but hog prices declined in the final week. Sharp increases for raw cotton offset an equally precipitate reaction in raw silk. Rubber was steady, as were metals in the non-ferrous group.

COST OF LIVING

The Dominion Bureau of Statistics cost of living index rose from 80.4 in October to 80.6 in November. The corresponding figure for November, 1934, was 79.3. An index for foods rose from 72.4 to 73.2, higher prices for eggs, butter, cheese, and flour influencing the index more than declines for meats and coffee. Seasonal advances in coal and coke caused the fuel index to move up from 86.5 to 87.0.

SECURITIES

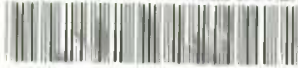
Common stock prices continued to show unusual strength during November, and the advance which commenced early in October, moved forward without interruption. Prices for industrials outstripped earlier peaks of the recovery movement, and averaged higher than at any time since May 1930. A price index for industrials was 173.2 for the week of November 28, as compared with 126.3 for the corresponding week of 1934. Utilities have shown a much weaker response to market stimuli, but an index for this group has moved upward gradually from 44.2 in the second week of October to 52.4 for the final week of November. This level represents the highest point reached for 1935, but it is still relatively low when compared with records for preceding years.

High grade bond yields fluctuated narrowly throughout November, as indicated by the Bureau's Dominion of Canada long-term bond yield index which moved between 74.1 and 75.7. During October this index had fallen steadily from 83.8 in the first week to 75.6 in the final week.

FOREIGN EXCHANGE

Actual exchange fluctuations during November were of small proportions, but those outward signs of equilibrium were belied by further heavy gold shipments to the United States. Practically all of these came from France, and they were accompanied by repeated increases in the official bank discount rate which reached 6 p.c. on November 26. French gold shipments in the past three months have approximated \$500,000,000. Quotations on the Italian lira were placed upon purely a nominal basis in the latter part of the month, but a news intimation on November 29, indicated that the internal price of gold in Italy had been advanced by 25 p.c. The £ sterling at Montreal advanced gradually from \$4.9700 on November 1, to \$4.9880 on November 30. The premium on New York funds remained close to 1 1/8 p.c.

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