

DEPARTMENT OF TRADE AND COMMERCE  
DOMINION BUREAU OF STATISTICS - CANADA  
INTERNAL TRADE BRANCH

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PRICE MOVEMENTS, FEBRUARY, 1935 (PRELIMINARY).

COMMODITIES

Primary commodity markets in February were generally firm, with moderate gains being registered in some cases. These contributed to an advance in the Dominion Bureau of Statistics index number of wholesale prices from 71.7 in the third week of January to 72.1 for the third week of February. Strength in grains, silver, sugar, steers and eggs supported this increase. Coffee, cotton, silk, rubber, copper, and zinc showed little change. Hogs averaged lower although they registered appreciable gains in the latter half of the month. Tin prices declined, influenced according to market reports, by repercussions from the collapse of London pools operating in pepper and shellac. The wholesale price index of 72.1 was exactly upon a par with that for the corresponding week of 1934.

SECURITIES

Security markets appeared to anticipate the "gold clause" decision of the United States Supreme Court which was given on February 18. Index numbers of common stock prices turned upward in the week of February 7, and continued to advance until the final week of the month when a moderate reaction occurred. Gold stocks made the best showing, with industrials also recording substantial gains. Utilities have not shown much change since the beginning of the year. The average level of common stock prices at the end of February was slightly lower than in early January, and approximately upon a par with that of a year ago. Prices for Dominion government bonds turned weaker in the first half of February, but regained the greater part of earlier losses during the latter half of the month.

	<u>February, 1935</u>				:	<u>February, 1934</u>
	<u>1st Week</u>	<u>2nd Week</u>	<u>3rd Week</u>	<u>4th Week</u>	:	<u>4th Week</u>
Industrials ....	126.6	123.3	130.6	128.7	:	124.2
Utilities .....	50.2	49.3	49.6	48.1	:	56.9
Gold Stocks ....	119.4	122.3	125.4	126.4	:	111.6

FOREIGN EXCHANGE

Prior to the "gold clause" decision of February 18, exchange markets moved within extremely narrow limits, and gold currencies were decidedly weak. Subsequently the gold units strengthened moderately, and were firm as the month closed. United States dollars continued to command a fractional premium at Montreal all through February. The pound sterling after remaining fairly steady for the first three weeks turned downward in the final week, and on February 28, gold commanded the record price of 144 shillings 1 pence (\$35.016) per fine ounce, in the London market.

February, 1935.  
(Montreal rates supplied by the Bank of Montreal)

	<u>1st Week</u>	<u>2nd Week</u>	<u>3rd Week</u>	<u>4th Week</u>
Sterling .....	4.837	4.891	4.887	4.861
New York funds .....	1.001	1.002	1.001	1.001
French franc .....	.0658	.0660	.0663	.0665

COST OF LIVING

Higher prices for meats and dairy products were largely responsible for a slight increase in the Dominion Bureau of Statistics cost of living index from 78.9 in January to 79.1 in February. Eggs and coal declined moderately.

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