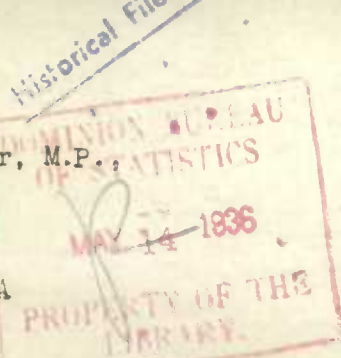


DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH



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PRICE MOVEMENTS, APRIL 1936 (PRELIMINARY)

COMMODITIES

The Dominion Bureau of Statistics index of wholesale commodity prices moved somewhat uncertainly during the month but completed the week ending May 1 at 72.1, the same level as for the week ending April 3. Vegetable Products, Wood, Iron and Chemicals advanced while Animal Products, Textiles, Non-Ferrous Metals and Non-Metallic Minerals moved lower.

Both grains and livestock made moderate gains; the index for the former showing an increase of .3, and that for the latter moving forward by 1.7 during the month. A noteworthy increase was reported in the number of cattle exported and shipments to the United States now total approximately 25 p.c. above those for the corresponding period of 1935. Potatoes have come to the fore during the past few weeks and advances of as much as 65¢ for an 80 pound bag were reported from some eastern points. Consequently, the index for this group rose precipitately from 53.0 to 72.3 during April, 48.0 points above that of May 3, 1935. Near the middle of the month, raw rubber again touched the high for the year, but raw silk dropped 20¢ per pound, wiping out the gains of the preceding month. Appreciable weakness^{was} apparent in lead, tin and zinc while copper moved up. In general, price movements were upward for the greater part of the month but an easier tone was apparent in the final week.

COST OF LIVING

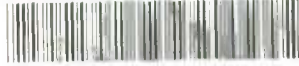
A substantial reduction in food costs, and a slight recession in the price of fuel, resulted in a decline in the general cost of living for Canada from 80.5 in March to 79.8 in April. Although retail food prices were considerably lower than in the month preceding, current prices remain 3.5 per cent. above the level of a year ago. The index for fuel moved down from 87.5 to 87.3, a slight increase for coke being more than offset by a decline in the price of coal.

SECURITIES

The most serious reaction in common stock prices since the summer of 1934 occurred during the final three weeks of April. A brief period of recovery from the initial March break ended during the first week of April, and was followed by sharp declines, which were still in progress as the month ended. Both industrials and utilities moved lower, the former showing the greatest losses. These were most severe among interlisted market leaders, including industrial mining issues, although iron and steel, oil, and beverage issues also declined appreciably. The smallest losses occurred in the textile and food groups. An index of industrials, after rising from 198.0 to 202.6 in the first week, then dropped to 186.2 in the final week of April, while corresponding utility group indexes were 54.3, 54.7, and 50.9. A general index of common stocks fell from 123.1 to 115.7 during the month. Gold issues continued to show moderate strength, advancing from 121.4 to 123.3. Long-term Dominion of Canada bond prices also tended to be firmer, and an index of yields dropped fractionally from 69.7 to 69.2 during April.

FOREIGN EXCHANGE

The French franc continued to be the centre of interest in exchange markets during April. Although it fluctuated fairly narrowly, the increased stream of gold exports from Paris, and a rise in the official bank discount rate from 3½ p.c. to 5 p.c. revealed the strain which the franc is withstanding. Negotiations by the French government for a short-term loan in Amsterdam were not completed. Announcement was made early in April that the Russian ruble was to be maintained at a value equivalent to three French francs. Only a few weeks later, on April 27, Poland abandoned the gold standard and intimated that the value of the zloty would be maintained at approximately its former gold parity. Strength returned to the Canadian dollar in the last two weeks of April and a considerable fraction of March losses were regained.



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