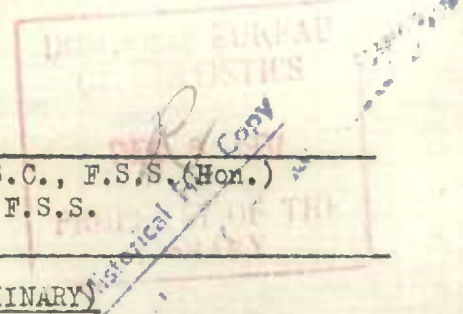


62-001
c1
Published by Authority of the Hon. W. D. Euler, M.P.,
Minister of Trade and Commerce
DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH



Dominion Statistician:	R.H. Coats, LL.D., F.R.S.C., F.S.S. (Hon.)
Chief, Internal Trade Branch:	Herbert Marshall, B.A., F.S.S.
Prices Statistician:	H.F. Greenway, M.A.

PRICE MOVEMENTS, NOVEMBER, 1937 (PRELIMINARY)

COMMODITIES

Commodity prices continued on downward during November with Non-Metallic Minerals alone of the eight major groups in the Dominion Bureau of Statistics wholesale price index moving contrary to the general trend. New lows for the year were established by raw rubber, coffee, hides, raw cotton, raw silk, raw wool, copper, tin and vegetable oils and, by the end of November, spot quotations for the better grades of wheat had dropped approximately 10¢ per bushel below closing October prices. Removal by the Brazilian Government of restrictions on foreign exchange and coffee exports exerted a marked effect upon coffee quotations. Drastic reductions in price resulted and new all-time lows were touched in Santos futures. Cotton weakened also as estimates of the new crop in the Southern States indicated a record yield. Non-Ferrous metals, generally, showed appreciable decreases and further restrictions in output, effective December 1, were announced by international copper producers who conferred during the month. Higher prices for coal were responsible for the increase in Non-Metallic Minerals.

COST OF LIVING

The Dominion Bureau of Statistics cost of living index for Canada was unchanged for November at 84.2, a minor reduction in foods being offset by seasonal advances in fuel prices. Retail food prices fell from 78.9 in October to 78.8 in November. This was slightly more than 5 per cent. above the level of the corresponding month of last year. Food costs have risen more than 30 per cent. since March 1933 when price levels started to recover, but were still more than 25 per cent. lower than at the beginning of 1930 when the preceding decline commenced. Decreases were reported in November for flour, granulated sugar, potatoes, beans, and meats, while moderate gains occurred in eggs, butter, onions, tea and canned salmon.

Seasonal increases in coal and coke prices caused the fuel index to rise 0.5 per cent. to 85.7 in November. The advance in coal was mainly attributable to increases in anthracite prices, since bituminous quotations recorded very little movement. Coke prices were higher in two or three of the larger cities of the Dominion. No changes of any consequence were reported for other budgetary groups.

STOCKS AND BONDS

Common stock prices showed a net decline of moderate proportions after passing through two complete cyclical movements. Initially they reacted after the late October recovery. This movement and a subsequent advance, both of small magnitude, was completed by November 10. The second reaction terminating on the 24th was more serious, and carried prices down again to the extreme lows of October 18th. The Investors' price index was 97.8 for both these dates. Subsequent recovery was less pronounced than that of the closing October rally, and averages were unsteady in the final days of the month. Stock groups followed the general market pattern with a few noteworthy exceptions. Milling issues moved irregularly higher, while textiles declined gradually and without reflecting the wider swings of the market. Oils failed to follow the closing advance. Power and traction stocks depressed the Utility section despite firmness in transportation and communication issues. The Investors' general price index at 100.9 on November 30 was down 8.8 below the preceding month's close. Industrials dropped 14.1 to 163.3, Utilities were off 5.0 to 48.1, and Banks at 78.5 were down 1.9. Firmness in gold stock featured the mining section. They moved against the market trend in the first week of November to register substantial gains, although these were later lost. They were affected comparatively little by the second reaction noted above, and closed strong. Base metal issues conformed to the general movements of industrials. The general price index of 24 mining stocks was 129.4 for November as compared with 121.6 for October. It showed no net gain for November, however, closing at 129.1, the same as on October 30. A daily index of Dominion of Canada long-term bond prices moved narrowly between 114.1 and 115.1 during November, and closed at 115.0.

FOREIGN EXCHANGE

The United States dollar moved to a discount of 3/16 of one per cent. during the first three weeks of November, but subsequently strengthened to close off 1/16 of one per cent. A surplus of commodity exports was credited with balancing capital withdrawals in the latter half of the month. A small outflow of gold occurred from the United States to France and the United Kingdom, prior to recovery in the dollar. Sterling advanced sharply in the first week of November to a peak of \$5.02, and then reacted four cents before steadying between \$4.98 and \$4.99. The French franc remained firm and considerable improvement was noted in forward positions. The Bank of France reduced its discount rate from 3½ to 3 per cent. on November 12. Brazil removed all foreign exchange restrictions during November, but South American currencies generally were weak, reflecting less favourable foreign trade positions.



1010711540

1953
STATISTICS CANADA

[Faint, illegible text on lined paper]