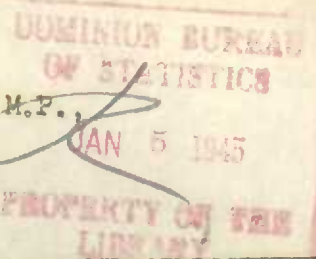


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 PRICES BRANCH



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PRICE MOVEMENTS, DECEMBER, 1944 (PRELIMINARY)

WHOLESALE: The Bureau's composite index of Canadian farm product prices moved up 0.9 points to 104.0 (1926=100) between the weeks of November 24 and December 29. Strength was mainly concentrated in the field products sub-group in which a rise of 1.3 points to 92.8 occurred. Potatoes and onions were higher in this section while hay was slightly lower. In the animal products section a gain of 0.4 to 122.8 reflected considerably higher livestock prices which outweighed weakness in eggs. Compared with December, 1943, the current level of Canadian farm product prices was 0.6 points lower. Animal products have receded 3.3 points during the year, while field products gained 1.1 points.

Year-end firmness in industrial material prices was reflected in a rise in the composite weekly index of 0.5 points to 100.2 (1926=100) between November 24 and December 29. This compared with an index level of 99.2 in December, 1943 and indicated a rise of 1.0 points. A December, 1944 increase of 2.0 points to 100.6 for five foods was due to strength in steers and hogs. In the same interval gains of 0.3 to 120.2 for 12 stable items and 0.1 to 84.5 for 13 manufacturing materials were due to higher prices for imported bituminous coal in the former and an upturn in raw cotton in the latter.

COST OF LIVING: (Wartime increase 17.6 p.c.—from 100.8 to 118.5). The Dominion Bureau of Statistics cost-of-living index declined from 118.9 for November 1 to 118.5 for December 1, 1944. This change was wholly accounted for by a reduction in the food group index from 131.6 to 130.3, with lower prices for eggs, vegetables and fruits contributing the major portion of the decline. The December, 1944 cost-of-living index of 118.5 compares with a 1943 year-end figure of 119.3, and 115.8 on December 1, 1941, when maximum price regulations went into effect. Group indexes other than foods remained unchanged for December, 1944 as follows: rentals 112.0, fuel and light 108.2, clothing 121.5, homefurnishings and services 118.4, and miscellaneous items 108.9.

SECURITIES: Common stock prices on Canadian exchanges were firmer in December, and the Investors' weekly composite index for 95 issues registered a gain of 2.4 p.c. to 86.8 between November 30 and December 28. Compared with levels of a year ago the index has recorded an increase of 8.6 p.c., but has shown a loss of 2.1 p.c. when related to the 1944 peak of 88.7 reached on July 13. December sub-group changes were all upward with the exception of telephone and telegraph issues which remained stationary. Pronounced strength was noted for transportation stocks, up 12.1 p.c., followed by milling shares 11.1 higher, and pulp and paper shares 8.4 p.c. Mining stock prices were lower in December due to weakness in golds. Between November 30 and December 28 the composite index for 25 representative mining issues weakened 2.0 p.c. to 80.0 paced by a decline of 3.2 p.c. to 73.5 in the gold shares index. On the other hand, base metal shares stiffened 0.1 p.c. to 91.3 in the same interval. A comparison with the final week of 1943 showed the average level of mining share prices 6.8 p.c. higher at the close of 1944. Golds were 7.3 p.c. higher while base metals had accumulated a gain of 5.4 p.c. The yield on a theoretical Dominion of Canada 15-year 3 p.c. issue recorded a decline of .01 to 2.98 during the week of December 20.

SUMMARY OF PRICE INDEXES

(1926=100 for Wholesale Prices)
 (1935-39=100 for Cost of Living and Security Prices)

	Dec. 1943	Nov. 1944	December, 1944			
			Week ended -			
			7th	14th	21st	28th
WHOLESALE						
Industrial Materials	99.2	99.7	99.8	100.0	100.1	100.2
Canadian Farm Products	104.6	103.1	102.9	103.3	103.3	104.0
COST OF LIVING (1st of Month)	119.3	118.9	118.5			
Foods	132.7	131.6	130.3			
INVESTORS' PRICE INDEX (95 common stocks)	80.5	86.0	86.2	87.2	86.3	86.8
69 Industrials	75.8	81.0	80.3	81.1	80.5	80.9
18 Utilities	96.6	100.8	104.5	106.7	104.7	105.5
MINING STOCK PRICE INDEX (25 stocks)....	74.9	83.1	81.3	81.7	79.5	80.0
22 Golds	68.5	75.9	75.6	75.3	73.2	73.5
3 Base Metals	86.5	95.9	91.2	93.0	90.8	91.3
DOMINION OF CANADA LONG-TERM BONDS						
Yield Index	97.3	97.0	97.0	97.0	96.7	96.7

Week ends Friday instead of Thursday.

