



## PRICE MOVEMENTS

MAY 1960

**THE CONSUMER PRICE INDEX:** (1949=100) The Consumer Price Index at the beginning of May 1960 was slightly lower than that of April 1960 as it moved from 127.5 to 127.4, a decline of 0.1 per cent. For May 1959, the index stood at 125.6. Decreases in the Food and Household Operation indexes outweighed increases in the Shelter and Other Commodities and Services indexes, with the Clothing index unchanged.

The Food component decreased 0.6 per cent from 120.9 to 120.2 as egg prices dropped six cents per dozen and lower prices were also reported for oranges and orange juice, tomatoes and bananas. Potato prices continued to rise and beef, after declining for several months, rose between April and May. Pork prices were steady.

The Shelter index rose slightly from 143.3 to 143.5, an increase of 0.1 per cent. The rent component was unchanged but home-ownership was higher, largely because property insurance, priced in May, was above last year's level.

The Clothing index was unchanged at 110.8 as only minor price changes occurred on a scatter of clothing items.

A drop of 0.3 per cent in the Household Operation index from 123.5 to 123.1, was due largely to a seasonal decline in coal prices and sale prices on textiles. Some utensils and household supplies were higher. Insurance rates on household effects, priced in May, were also higher.

An increase of 0.4 per cent in Other Commodities and Services, from 137.1 to 137.6, reflected higher automobile insurance rates as well as price increases for theatre admissions, men's haircuts, women's hairdressing and local transportation, the latter price change occurring in Toronto and Hamilton. New passenger cars showed seasonal price declines and gasoline prices were slightly lower.

Consumer Price Indexes (1949=100)

	Total Index	Food	Shelter	Clothing	Household Operation	Other Commodities and Services
May 1960	127.4	120.2	143.5	110.8	123.1	137.6
April 1960	127.5	120.9	143.3	110.8	123.5	137.1
May 1959	125.6	118.5	141.0	109.7	122.5	134.9

(1)

WHOLESALE PRICE INDEXES (WEEKLY)  
(1935-1939 = 100)

The price index of 30 industrial materials moved up 1.3 per cent from 242.6 to 245.8 between April 29th and May 20th. In the three-week period, price increases were recorded for 14 commodities including raw rubber, hogs, raw wool, linseed oil, oats, steers, tin, iron ore, bleached sulphite pulp, domestic zinc, and sisal. Price advances for commodities entering international trade reflected the drop in value of the Canadian dollar in relation to the United States dollar. Prices of bituminous coal and fir timber declined slightly.

The index of Canadian Farm Product prices at terminal markets advanced 0.9 per cent in the three weeks under review. The Field Products index moved 0.9 per cent higher reflecting higher prices for Eastern potatoes and peas, and Western flaxseed and rye, which were partially offset by declines for Western potatoes and Eastern wheat. The Animal Products index gained 0.8 per cent as price increases for hogs and steers, and for raw wool in the West, were partly balanced by lower prices reported for eggs, chiefly on Eastern markets, lambs, mainly in the West, Eastern poultry, butterfat on both markets, fluid milk in the West (seasonal), and raw wool in the East. Regional index changes were as follows: Eastern, up 1.1 per cent from 243.7 to 246.3, and Western, up 0.5 per cent from 192.4 to 193.4.

**Wholesale Price Indexes (1935-1939 = 100)**

	1960 Week Ended					Monthly Average		
	April 29th	May 6th	May 13th	May 20th	May 27th	May 1959	April 1960	May (P) 1960
Industrial Materials.....	242.6	242.9	244.1	245.8	NOT AVAILABLE	241.4	241.7	244.3
Canadian Farm Products .....	218.0	219.1	219.0	219.9		222.3	218.3	219.3
Field .....	180.3	180.5	181.4	181.9		173.6	180.5	181.3
Animal.....	255.8	257.7	256.6	257.8		271.0	256.2	257.4

- (1) - All 1960 indexes subject to revision. Canadian Farm Products subsequent to July 1958 are subject to further major revisions as and when interim and/or final participation payments are announced for Western wheat, oats and barley.  
(P) - Preliminary, average of three weeks.

**SECURITY PRICE INDEXES:** The Investors Index of 94 common stocks advanced in each of (1935-1939 = 100) the four weeks from April 28th to May 26th for a total gain of 3.7 per cent. Among major groups a similar pattern was evident for 73 Industrials, up 4.4 per cent, and 7 Banks, up 2.9 per cent, while 14 Utilities recovered from weakness in the second week of the month for a total net increase of 0.4 per cent. Gains for 9 sub-groups ranged from 0.8 to 7.8 per cent, led by Machinery and Equipment, 7.8 per cent from 665.9 to 717.7, Industrial Mines, 7.2 per cent from 204.5 to 219.2, Pulp and Paper, 7.0 per cent from 1,090.5 to 1,167.1, and Milling and Grain 6.1 per cent, from 179.2 to 190.2. Three sub-groups moved slightly lower, as follows: Telephones 119.9 to 118.6, Food and Allied Products 226.6 to 225.6 and Transportation 303.9 to 303.4.

The index of 28 Mining stocks moved up 1.4 per cent in the period under review, reflecting an increase for 6 Base Metals of 6.0 per cent which was partially balanced by a decline of 3.1 per cent for 22 Gold stocks.

**Weekly Security Price Indexes (1935-1939 = 100)**

	1960 Week Ended					Monthly Average		
	Apr. 28th	May 5th	May 12th	May 19th	May 26th	May 1959	Apr. 1960	May 1960
<b>Investors Price Index</b>								
94 Common Stocks .....	244.4	245.5	246.5	251.4	253.4	267.2	248.8	249.2
73 Industrials.....	251.6	252.5	254.1	260.3	262.6	271.5	256.7	257.4
14 Utilities.....	187.4	189.0	187.3	188.0	188.1	204.3	188.2	188.1
7 Banks .....	303.8	306.3	307.8	308.8	312.5	370.4	309.1	308.8
<b>Mining Stock Price Index</b>								
28 Stocks.....	97.6	97.7	96.9	98.3	99.0	119.5	105.1	98.0
22 Golds .....	70.3	69.2	66.3	67.4	68.1	87.0	78.4	67.8
6 Base Metals.....	160.2	163.0	167.0	168.9	169.8	194.0	166.4	167.2

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