



PRICE MOVEMENTS

MAY 1961

THE CONSUMER PRICE INDEX:

(1949=100)

The Consumer Price Index decreased 0.1 per cent from 129.1 to 129.0 between April and May 1961 as a result of a decline of 0.6 per cent in the Food index combined with a drop of 0.2 per cent in the Housing index. The Health and Personal Care, and Tobacco and Alcohol indexes were both unchanged while the Clothing, Transportation, and Recreation and Reading indexes rose 0.4, 0.6 and 0.3 per cent respectively.

Consumer Price Indexes (1949=100)

	Component Weights (1)	1961		
		May	April	March
All-Items	100	129.0	129.1	129.1
Food	27	123.2	123.9	124.0
Housing (2)	32	132.9	133.2	133.2
Clothing	11	112.4	111.9	111.8
Transportation	12	141.8	141.0	141.0
Health and Personal Care	7	155.3	155.3	154.4
Recreation and Reading	5	146.0	145.5	146.6
Tobacco and Alcohol	6	115.8	115.8	115.7

(1) Component weights indicate the relative importance of item groups.

(2) This index is composed of shelter and household operation.

The Food index moved from 123.9 to 123.2 as lower prices were reported for a wide range of items including eggs, beef, pork, lamb, chicken, turkey, oranges, jam, lard, canned and frozen vegetables, tomato juice and frozen orange juice. These price declines more than balanced higher prices for most fresh vegetables, apples, grapes, coffee and processed cheese.

The Housing index decreased from 133.2 to 132.9 as the shelter component was unchanged but the household operation index declined 0.6 per cent. In shelter, the rent index was unchanged for the fifth successive month; the home-ownership index edged up fractionally as higher prices for new houses and repair items offset lower premiums for property insurance. The decline in the household operation index reflected lower prices for coal and fuel oil as well as price decreases in most other groups. In household services, lower prices were reported for insurance on household effects.

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Prepared in Prices Division

WHOLESALE PRICE INDEXES (WEEKLY)¹ (1935 - 1939 = 100) The index of industrial materials, calculated as an unweighted geometric average of 30 prices, moved 1.0 per cent higher over the three-week period April 28th to May 19th. Major increases occurred for hogs and domestic copper, while lesser advances were reported for beef hides, steers, tin, raw wool, raw sugar, fir timber, oats and raw cotton. Commodities showing lower prices were linseed oil, raw rubber and spruce lumber.

In the same three-week period, the price index of Canadian farm products at terminal markets advanced 1.2 per cent reflecting a 2.6 per cent increase in the Animal Products index. Sharp price increases occurred for hogs, particularly in the East, with lesser advances for raw wool and steers in the East, calves in the West, and eggs in both regions. Lower prices were reported for lambs in the East, and for fluid milk, raw wool and steers in the West. The Field Products index eased 0.8 per cent as declines for flax in the West and potatoes in the East were almost balanced by increases for potatoes in the West, and corn and wheat in the East.

Wholesale Price Indexes (1935-1939 = 100)

	1961 Week Ended					Monthly Average		
	May 26th	May 19th	May 12th	May 5th	Apr. 28th	May (P) 1961	Apr. 1961	May 1960
Industrial Materials.....	AVAILABLE	245.1	244.0	243.1	242.7	244.1	241.7	243.2
Canadian Farm Products	AVAILABLE	213.8	212.1	210.7	211.2	212.2	213.0	223.9
Field	AVAILABLE	161.7	161.9	162.1	163.0	161.9	162.8	190.1
Animal.....	AVAILABLE	266.0	262.3	259.3	259.3	262.5	263.1	257.8
Regional Indexes:								
Eastern Canada	NOT AVAILABLE	234.0	231.8	228.8	229.7	231.5	232.1	247.2
Western Canada	NOT AVAILABLE	193.7	192.4	192.6	192.6	192.9	193.8	200.6

(1) - All 1961 indexes are subject to revision. For Canadian Farm Products, indexes from July 1959 are subject to revision as and when participation payments are announced for Western grains.

(P) - Preliminary, average of 3 weeks.

SECURITY PRICE INDEXES: The Investors Index of 92 common stock prices, on the base 1935-1939=100, moved up 3.0 per cent in the four-week period April 27th to May 25th. Increases for major groups were: 14 Utilities, 5.8 per cent; 71 Industrials, 2.7 per cent; and 7 Banks, 1.8 per cent. All three sub-groups within Utilities showed gains, with Transportation rising 15.7 per cent from 292.2 to 338.0 and Telephones reaching an all-time high in the third week at 147.8. Seven sub-groups within Industrials moved higher over the four weeks, led by Industrial Mines, up 7.7 per cent from 290.6 to 313.1 and Food and Allied Products up 4.9 per cent from 312.1 to 327.4. Machinery and Equipment, and Pulp and Paper moved down 1.7 per cent and 0.3 per cent respectively.

The index of 27 Mining stocks, on the base 1935-1939=100, rose 2.8 per cent in the period under review, reflecting increases of 4.5 per cent for 6 Base Metals and 0.4 per cent for 21 Golds.

In the same period, three of the supplementary indexes on the base 1956=100, showed gains as follows: 5 Investment and Loan, 6.3 per cent; 7 Uraniums, 2.9 per cent; and 5 Pipelines, 0.5 per cent; while 9 Primary Oils and Gas declined 1.2 per cent.

Weekly Security Price Indexes

	1961 Week Ended					Monthly Average		
	May 25th	May 18th	May 11th	May 4th	Apr. 27th	May 1961	Apr. 1961	May 1960
(1935 - 1939 = 100)								
Investors Price Index								
92 Common Stocks	318.0	319.5	315.8	317.1	308.8	317.6	304.8	249.2
Industrials (71)	333.2	335.3	331.4	333.7	324.4	333.4	319.6	257.4
Utilities (14)	223.8	222.9	219.4	216.7	211.6	220.7	208.8	188.1
Banks (7)	383.8	384.9	382.0	382.7	376.9	383.4	377.6	308.8
Mining Stock Price Index								
27 Stocks	122.1	123.2	122.5	122.1	118.8	122.5	116.6	98.0
Golds (21)	73.9	72.9	74.4	73.2	73.6	73.6	72.1	67.8
Base Metals (6)	232.4	238.3	232.6	234.1	222.3	234.4	218.2	167.2
(1956 = 100)								
5 Pipelines	140.4	140.2	142.1	145.8	139.7	142.1	137.9	102.9
5 Investment and loan	177.4	175.8	176.8	173.7	166.9	175.9	164.8	115.8
7 Uraniums	71.8	71.9	71.5	71.0	69.8	71.6	70.0	57.3
9 Primary Oil and Gas	60.0	60.6	60.4	59.8	60.7	60.2	59.9	47.3



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THE CONSUMER PRICE INDEX: (Continued from Page 1)
(1949=100)

The Clothing index rose from 111.9 to 112.4 as a result of increases in prices for women's wear and footwear. Men's wear and piece goods were unchanged while the index for children's wear declined.

The Transportation index moved up to 141.8 from 141.0 with an increase in the automobile operation index resulting from a 6.8 per cent rise in automobile insurance premiums combined with some upward movement in gasoline prices. New passenger car prices declined 0.7 per cent.

The Health and Personal Care index was unchanged at 155.3. Minor price increases in some personal care supplies and services, including haircuts, were not sufficient to affect the index.

The Recreation and Reading index increased to 146.0 from 145.5 as a result of higher prices for theatre admissions and toys in the recreation index; the reading index was unchanged.

Fractionally higher prices for cigarette tobacco, beer and liquor were not significant enough to move the Tobacco and Alcohol index which remained at its April level of 115.8.