

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

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SECURITY PRICES AND FOREIGN EXCHANGE, FEBRUARY 19-25
(1926=100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Price movements varied widely among industrial and utility groups during the past week, but the predominant tendency was upward on a slightly broader trading volume. The industrial section was dominated by the exceptional performance of the two industrial mines, International Nickel and Consolidated Smelters. The oils paced by International Petroleum, and Dominion Steel and Coal added strength to the industrials which far outweighed weakness in Textiles, Foods and Beverages. Utilities under the leadership of Brazilian Power and Traction advanced into new ground, only part of which was held as the week closed. Declines predominated among the Bank issues. The Investors' price index number of common stocks advanced from 141.4 to 146.3 between the weeks ended February 18 and 25. The Industrial section mounted from 226.1 to 236.2, while Utilities moved up from 73.5 to 74.5.

MINING STOCK PRICES

The unusual rise of base metals in the preceding week was made to look comparatively insignificant by the precipitous advance which continued unchecked until February 22. After a sharp reaction, these issues immediately resumed their rise on the following day and closed strong on February 25. The base metal index mounted almost 18 p.c. between the 15th and 22nd, in line with the feverish activity in London base metal commodity markets. Senior gold stocks also turned upward in the latter part of the week, erasing much of the gradual decline which commenced about the beginning of the month. The more speculative gold issues were less firm, and trading was of moderate proportions. Despite closing strength the weekly average index for golds moved lower from 138.5 to 137.5 between the weeks ending February 18 and 25. Base metals, however, advanced from 328.3 to 356.5, and the general mining index rose from 174.7 to 180.0.

LONG-TERM BOND PRICES AND YIELDS

The Dominion Bureau of Statistics index number of Dominion of Canada long-term bond prices declined from 114.7 for the week ending February 18 to 114.6 for the week ending February 25. The market was apparently influenced to some extent by weakness in London. A slight rally occurred at the week-end and gains of $\frac{1}{4}$ were reported for several maturities. Among them were the Perpetual 3's which of late have been among the most active of the major issues. A softer tone developed on Tuesday the 23rd and continued for the balance of the week. Most Eastern Provincials finished steady, although there was some slight shading. Westerns closed firmer with gains of 2 to 4 points fairly common.

The index for Dominion of Canada long-term bond yields advanced from 69.4 to 69.6 during the week. The average yield of the issues used in this index was 3.33 as compared with 3.31 for last week and 3.35 for the corresponding week of last year.

FOREIGN EXCHANGE

The Canadian dollar has exhibited independent strength recently, moving against sterling and the French franc, and wiping out the small premium on New York funds which had persisted almost continuously since the beginning of the year. Reactions to the British Government's informal request that investments of London funds in New York security markets be curtailed, were watched with interest. A weak tendency in sterling exchange has been in evidence since the middle of February, although losses in that interval have aggregated less than one cent with Montreal rates on sterling now standing at \$4.89.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	19	20	<u>February</u>	23	24	25	Weekly Average February 19-25	Preceding Weekly Average February 12-18	Corresponding Weekly Average Last Month	Weekly Average A Year Ago
INVESTORS' PRICE INDEX, 96 COMMON STOCKS	145.5	146.6	148.7	144.6	146.2	146.3	146.3	141.4	137.8	122.5
68 INDUSTRIALS	234.2	235.8	241.2	233.3	235.9	236.5	236.2	226.1	221.9	201.1
Machinery and Equipment (8)	160.8	161.8	163.1	161.1	161.3	162.1	161.7	163.7	162.8	127.3
Pulp and Paper (6)	35.6	35.4	36.4	36.1	36.9	36.9	36.4	36.7	38.6	20.0
Milling (4)	121.2	121.2	122.1	121.3	122.0	122.0	121.7	119.3	123.0	85.6
Oils (4)	234.0	235.4	243.4	235.7	237.9	239.4	237.6	231.1	229.4	245.2
Textiles and Clothing (10)	78.6	78.5	78.0	77.2	77.5	77.2	77.8	79.4	78.9	74.3
Food and Allied Products (15)	190.6	190.4	189.5	189.0	189.0	190.2	189.7	189.9	185.2	160.0
Beverages (7)	140.0	139.9	140.3	139.5	138.7	138.6	139.6	138.7	141.1	152.5
Building Materials (14)	205.6	206.0	211.0	209.8	208.1	208.3	208.8	205.6	198.0	135.5
Industrial Mines (2)	607.4	613.5	625.4	596.9	608.2	607.4	609.7	572.8	544.3	423.9
19 UTILITIES	74.5	75.3	74.9	73.5	74.7	74.2	74.5	73.5	69.2	58.5
Transportation (2)	42.2	42.9	42.9	41.4	41.7	42.8	42.5	41.4	38.9	37.6
Telephone and Telegraph (2)	126.2	125.9	124.8	123.1	124.0	123.9	124.8	126.7	122.4	111.0
Power and Traction (15)	99.6	100.8	100.2	98.9	101.0	99.0	99.9	98.1	92.2	72.4
9 BANKS	96.8	96.9	96.2	96.2	95.4	95.8	96.1	96.8	96.8	83.3
MINING STOCK PRICE INDEX, 24 STOCKS	178.2	178.1	182.6	178.4	180.6	182.1	180.0	174.7	175.6	150.2
Gold Stocks (21)	137.2	136.1	136.7	136.7	138.2	139.6	137.5	138.5	139.8	129.6
Base Metals (3)	348.0	352.1	372.6	350.8	356.3	358.2	356.5	328.3	321.8	234.8
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	114.7	114.9	114.9	114.7	114.2	114.2	114.6	114.7	117.3	115.1
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	69.5	69.0	69.0	69.5	70.2	70.2	69.6	69.4	65.1	70.7
FOREIGN EXCHANGE QUOTATIONS ^x - NOON RATES AT MONTREAL										
Sterling	4.8952	4.8943	4.8937	4.8937	4.8912	4.8900	4.8930	4.8967	4.9058	4.9874
U.S. dollars	1.0003	1.0000	1.0000	1.0000	1.0000	1.0000	1.0001	1.0003	1.0006	.9990
French franc	.0466	.0466	.0466	.0465	.0465	.0465	.0466	.0466	.0467	.0667
Belgian belga	.1687	.1686	.1687	.1686	.1686	.1685	.1686	.1687	.1686	.1702
Netherlands florin	.5470	.5472	.5476	.5472	.5472	.5474	.5473	.5460	.5478	.6857
Japanese yen	.2856	.2855	.2957	.2854	.2853	.2851	.2871	.2856	.2858	.2902
Australian pound	3.9162	3.9154	3.9150	3.9150	3.9130	3.9120	3.9144	3.9173	3.9247	3.9899
Argentine peso - free rate	.3001	-	-	.2992	.2995	.2985	.2993	.3008	.2994	.2748

^x Bank of Canada.

INDEX NUMBERS OF TWENTY-FOUR MINING STOCKS
(1926=100)

Number of Stocks 1937	Gold 21	Base Metals 3	Total Index 24
x1928 -- High	137.2	322.2	138.6
Low	75.4	105.7	107.3
x1929 -- High	89.7	318.0	127.9
Low	52.7	157.3	72.6
x1930 -- High	66.7	203.1	88.3
Low	53.3	56.4	56.7
x1931 -- High	79.5	108.3	85.4
Low	54.4	49.9	54.8
x1932 -- High	63.1	82.3	64.8
Low	48.5	42.5	46.8
x1933 -- High	111.9	144.1	116.7
Low	64.9	68.2	65.1
x1934 -- High	140.1	167.6	143.3
Low	103.1	125.0	107.3
x1935 -- High	131.2	211.7	136.7
Low	104.7	128.6	114.9
x1936 -- High	136.2	322.1	170.3
Low	118.3	205.5	135.4
1936			
January	124.8	214.8	142.4
February	130.2	230.4	149.8
March	122.7	232.2	144.2
April	122.8	241.1	145.8
May	128.9	239.2	150.3
June	134.4	246.0	156.1
July	134.4	254.1	157.6
August	132.6	264.0	158.1
September	131.2	267.1	157.6
October	126.4	289.4	158.2
November	131.8	312.5	167.0
December	131.3	317.8	167.7
1937			
January	137.5	329.6	174.6
<u>Weekly Index Numbers</u>			
1937			
Week ending January 7th	135.8	322.3	172.1
" " " 14th	137.1	332.4	175.2
" " " 21st	139.6	337.6	177.9
" " " 28th	139.8	321.8	175.6
" " February 4th	141.3	321.6	176.4
" " " 11th	140.3	318.6	175.1
" " " 18th	138.5	328.3	174.7
" " " 25th	137.5	356.5	180.0

x Weekly figures.

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