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

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

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

A five day decline in industrial and utility common stock prices culminated on Monday, March 22, in a day of pronounced recession when Canadian markets reacted to the second sharp break in New York prices within a week's time. The volume of trading increased as the decline progressed, although at the peak on Monday, it was little above the average for the past three months. On Tuesday moderate recovery occurred on lighter sales, but during the two following days an unsteady tone prevailed and market averages showed fractional losses. Practically all groups shared in the decline terminating on Monday, while the Machinery and Equipment and Industrial Mines groups led in the subsequent recovery. Oils moved steadily lower, resuming a decline which commenced in the opening days of March. Losses during the current month have largely wiped out the substantial gains made in February. The Investors' index of industrial and utility common stock prices fell from 147.1 to 143.2 between the weeks ended March 18 and 25. Industrials dropped from 242.2 to 235.4, and Utilities from 70.4 to 68.3.

MINING STOCK PRICES

Irregular declines in gold stocks resulted in the loss of last week's meagre gains and placed gold price averages at the lowest levels of the year. Base metals moved erratically, following the lead of related commodity markets. At first they receded sharply, but later recovered much of earlier losses, as prices turned upward on the London Metal Exchange. The market was unsteady again, however, as the week closed. The general mining stock index dropped from 172.0 for the week of March 18, to 170.0 for the week ended March 25. The gold section averaged fractionally lower, declining from 132.6 to 132.3, while Base Metals fell from 335.8 to 325.6.

LONG-TERM BOND PRICES AND YIELDS

The Dominion Bureau of Statistics index number of Dominion of Canada long-term bond prices, on the base 1926=100, declined from 112.7 for the week ending March 18 to 112.4 for the week ending March 25. Little change occurred in price levels during the first part of the week and trading was very light, but toward the close a better inquiry appeared as resumption of institutional buying was reported. Provincials were mixed. With the exception of Manitobas, which were firm, Westerns were steady to soft with the losses ranging up to 2 points. British Consols closed 1/8 down and the Dow-Jones average of United States high-grade bonds moved fractionally lower.

The index for Dominion of Canada long-term bond yields rose from 73.2 to 73.7 during the week. The average yield of the six issues used in this index was 3.53 as compared with 3.51 for the last week and 3.27 for the corresponding week of last year.

FOREIGN EXCHANGE

A very slight downward drift during the week ended March 25 in Montreal rates on sterling and United States funds reflected the continued strength of the Canadian dollar. The French franc was firm again after its short reaction on March 17, with rates holding close to 4.59 cents. Ninety day rates on the franc are now being quoted at a discount of approximately 8 points as compared with 12 to 14 points at the beginning of March. Recent despatches from Tokyo mentioned the possibility of yen stabilization without further devaluation. Since the Japanese Government took steps to protect the position of the yen at the beginning of the year, rates have moved narrowly around 28.5 cents.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	19	20	22	<u>MARCH</u> 23	24	25	Weekly Average March 19 - 25	Preceding Weekly Average March 12 - 18	Corresponding Weekly Average Last Month	Weekly Average A Year Ago
INVESTORS' PRICE INDEX, 96 COMMON STOCKS	144.4	144.4	141.7	143.3	143.2	143.0	143.2	147.1	146.3	118.7
68 INDUSTRIALS	237.7	237.4	233.0	235.5	235.4	235.0	235.4	242.2	236.2	197.4
Machinery and Equipment (8)	166.9	168.2	163.9	170.2	169.7	167.4	167.8	166.9	161.7	119.7
Pulp and Paper (6)	37.9	40.0	39.8	40.9	40.5	41.2	40.1	37.8	36.4	18.5
Milling (4)	125.9	128.6	128.3	128.2	126.7	126.7	127.5	126.0	121.7	91.7
Oils (4)	240.7	240.8	238.2	237.6	237.1	235.9	237.4	244.5	237.6	242.7
Textiles and Clothing (10)	80.1	79.9	79.1	80.1	80.9	80.7	80.6	81.1	77.8	71.3
Food and Allied Products (13)	186.4	187.9	186.1	186.9	187.4	186.2	186.7	188.4	189.7	151.2
Beverages (7)	142.3	141.6	138.9	140.1	139.5	138.8	140.0	144.2	139.6	139.2
Building Materials (14)	208.9	209.5	208.5	208.9	209.3	209.4	208.9	211.9	208.8	133.2
Industrials Mines (2)	607.6	604.0	586.6	599.9	601.0	602.3	597.2	623.2	609.7	418.8
19 UTILITIES	68.8	63.9	67.3	68.6	68.6	68.4	68.3	70.4	74.5	54.5
Transportation (2)	37.9	38.1	35.7	36.9	37.1	37.7	36.9	39.6	42.5	32.6
Telephone and Telegraph (2)	123.5	123.4	122.2	122.6	122.4	122.1	123.0	124.0	124.8	110.1
Power and Traction (15)	91.9	91.9	90.7	92.5	92.3	91.5	91.1	93.6	99.9	68.5
9 BANKS	95.4	95.5	95.4	95.1	94.6	94.7	94.9	96.2	96.1	78.8
MINING STOCK PRICE INDEX, 24 STOCKS	171.0	170.8	168.0	170.5	171.0	168.5	170.0	172.0	180.0	143.2
Gold Stocks (21)	133.6	133.2	131.6	131.9	132.7	130.9	132.3	132.6	137.5	121.2
Base Metals (3)	325.6	326.7	318.2	330.4	329.7	324.1	325.6	335.8	356.5	233.5
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	112.3	112.3	112.4	112.4	112.3	112.6	112.4	112.7	114.6	115.9
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	73.8	73.8	73.6	73.6	73.7	73.2	73.7	73.2	69.6	69.2
FOREIGN EXCHANGE QUOTATIONS ^x - NOON RATES AT MONTREAL										
Sterling	4.8816	4.8804	4.8785	4.8797	4.8791	4.8791	4.8797	4.8821	4.8930	4.9729
U.S. dollars	.9991	.9991	.9991	.9989	.9988	.9986	.9989	.9993	1.0001	1.0024
French franc	.0459	.0459	.0459	.0459	.0459	.0458	.0459	.0459	.0466	.0663
Belgium belga	.1682	.1682	.1682	.1682	.1682	.1682	.1682	.1683	.1686	.1699
Netherlands florin	.5463	.5465	.5465	.5465	.5465	.5464	.5465	.5462	.5473	.6837
Japanese yen	.2847	.2849	.2846	.2847	.2846	.2845	.2847	.2848	.2871	.2894
Australian pound	3.9053	3.9043	3.9028	3.9037	3.9033	3.9025	3.9037	3.9058	3.9144	3.9783
Argentine peso - free rate	.2997	-	.2997	.2997	.2996	.2996	.2997	.2996	.2993	.2747

^x Bank of Canada

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

Number of Stocks	Gold	Base Metals	Total Index			
<u>1937</u>	<u>21</u>	<u>3</u>	<u>24</u>			
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	382.1	170.3			
Low	118.3	205.5	135.4			
<u>1936</u>						
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	131.3	312.5	167.0			
December	131.3	317.8	167.7			
<u>1937</u>						
January	137.5	329.6	174.6			
February	139.4	344.8	177.2			
<u>Weekly Index Numbers</u>						
<u>1937</u>						
Week ending 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	
"	"	March	4th	137.6	347.7	178.3
"	"	"	11th	133.1	348.0	174.8
"	"	"	18th	132.6	335.8	172.0
"	"	"	25th	132.3	325.6	170.0

x Weekly figures.



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