

62D04

DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH
(Issued June 5, 1937.)



Dominion Statistician:	R.H. Coats, LL.D., F.R.S.C., F.S.S. (Hon.)
Chief, Internal Trade Branch:	Herbert Marshall, B.A., F.S.S.
Prices Statistician:	H.F. Greenway, M.A.

Price \$1.50 per year
Single copies .10¢

SECURITY PRICES AND FOREIGN EXCHANGE, MAY 26-JUNE 3.
(1926=100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Industrial and utility common stock price movements for the week ended June 3 were listless and irregular, except for a brief flurry of liquidation on May 31, when security markets in leading centres of the world declined. On that day developments in the Spanish civil war created a tense political situation in Europe, and coincidentally rumours concerning the prospect for lower world gold prices were again revived. These were denied as on former occasions, and the period of extreme tension in Europe was brief. Newspaper and textile issues recorded moderate net gains for the week, while oils, the industrial mines, building material and milling stocks moved definitely lower. Other groups showed only minor changes. The Investors' price index of industrial, utility and bank common stocks declined from 133.3 to 131.3 between the weeks ended May 27 and June 3, with industrials down from 218.2 to 214.0, and utilities from 63.9 to 63.5. Banks were unchanged at 92.9.

MINING STOCK PRICES

A continuation of declines dating from the latter half of the preceding week carried mining stock price averages down to points which have been resistance levels on two previous occasions during the past month. Rumours of lower gold prices in leading markets of the world circulated widely on May 31, and official denials did not prevent price declines in gold issues, although the volume of selling was not large. Base metals which also turned weak at this time, made substantial recovery in the next two days, but reacted again on June 3 when London copper and lead quotations were reduced. The general price index of 24 mines fell from 144.0 to 138.7 between the weeks ended May 27 and June 3, with the gold section dropping from 112.6 to 108.3, and base metals from 274.3 to 265.1. The general May average of 142.1 compared with 154.1 for the preceding month, the gold index declining from 120.0 to 111.3 and base metals from 288.0 to 269.3.

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, rose from 114.5 for the week ending May 27 to 114.9 for the week ending June 3. Demand continued to be strong although volume was restricted by a scarcity of offerings. The Spanish situation became more tense about the end of May and a certain apprehension was reflected in security markets. The decline was slight and recovery followed quickly. Little impression was made upon the bond markets by Alberta's failure to meet a maturity of \$1,650,000 on June 1 and the week closed on a firm note with a comparatively heavy turnover. British Consols last more than a point during the week and the Dow-Jones average of selected United States high-grade bonds was easier also.

The index of Dominion of Canada long-term bond yields declined from 69.9 to 69.4 between the weeks ending May 27 and June 3. The average yield for the past week of the issues used in this index was 3.32 as compared with 3.24 for the corresponding week of last year.

FOREIGN EXCHANGES

Sudden tension over the Spanish situation and a fresh outburst of rumours of a change in the price of gold combined to disturb foreign exchanges in the opening days of June. The German mark, sterling and the Japanese yen were the currencies showing the greatest reaction, with the French franc also affected to a lesser extent. Montreal rates on New York funds returned to par after an interval of approximately two and one-half months. The rumours of contemplated reductions in official gold prices in the United States and some European countries although again denied brought heavy offerings of hoarded gold onto the London market, but few concerns were willing to accept the risk of handling shipments to the United States even at rates which allowed a profit of approximately 10 p.c. over ordinary interest allowances.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	<u>MAY</u>			<u>JUNE</u>			Weekly Average May 28- June 3	Preceding Weekly Average May 21-27	Corresponding Weekly Average Last Month	Weekly Average 4 Year Ago
	28	29	31	1	2	3				
INVESTORS' PRICE INDEX, 96 COMMON STOCKS	132.9	133.4	129.8	130.7	131.3	130.2	131.3	133.3	131.9	113.6
68 INDUSTRIALS	217.0	218.1	211.2	212.8	213.4	211.2	214.0	218.2	216.5	187.6
Machinery and Equipment (8)	152.2	152.4	149.8	149.2	150.2	149.6	150.8	150.0	154.5	105.8
Pulp and Paper (6)	40.7	41.1	38.1	38.7	39.5	39.4	39.8	38.1	41.5	17.1
Milling (4)	105.1	105.6	105.3	103.3	104.4	104.1	105.0	108.5	111.1	86.3
Oils (4)	230.1	232.7	225.1	223.7	223.9	220.4	225.2	231.5	227.9	229.9
Textiles and Clothing (10)	76.7	77.2	77.6	77.5	76.7	77.3	77.2	77.2	78.0	69.4
Food and Allied Products (13)	178.0	178.0	178.4	177.3	178.9	178.4	178.1	178.3	178.2	149.1
Beverages (7)	126.9	126.9	126.3	126.5	126.9	127.8	126.7	128.6	128.9	126.1
Building Materials (14)	188.3	189.0	187.8	187.6	183.4	186.0	187.4	188.9	190.7	128.5
Industrial Mines (2)	527.7	528.1	506.2	520.0	523.4	517.3	520.3	532.2	524.9	403.0
19 UTILITIES	64.0	63.9	62.8	63.2	63.9	63.6	63.5	63.9	62.1	53.0
Transportation (2)	33.6	33.4	32.4	32.6	33.4	32.9	32.8	32.8	33.1	31.6
Telephone & Telegraph (2)	127.5	127.8	127.3	127.6	127.5	127.2	127.5	125.5	120.0	111.1
Power and Traction (15)	84.8	84.7	83.2	83.9	84.7	84.6	84.2	85.5	82.8	65.9
9 BANKS	93.3	93.3	92.8	92.7	93.0	92.8	92.9	92.9	92.1	77.8
MINING STOCK PRICE INDEX, 24 STOCKS	140.4	141.5	137.9	137.7	139.5	137.8	138.7	144.0	144.5	156.6
Gold Stocks (21)	109.9	111.0	108.3	107.3	108.1	107.9	108.3	112.6	113.2	135.0
Base Metals (3)	266.7	267.6	260.0	263.6	269.6	261.4	265.1	274.3	273.8	246.3
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	114.8	114.9	115.0	114.9	114.7	114.9	114.9	114.5	113.0	116.1
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	69.4	69.3	69.0	69.3	69.7	69.3	69.4	69.9	72.4	68.5
FOREIGN EXCHANGE QUOTATIONS ^x - NOON RATES AT MONTREAL										
Sterling	4.9368	4.9319	4.9250	4.9258	4.9267	4.9232	4.9282	4.9361	4.9284	5.0202
U.S. dollars	.9992	.9994	1.0000	1.0000	1.0000	1.0000	.9998	.9989	.9980	1.0027
French franc	.0446	.0446	.0445	.0445	.0045	.0445	.0445	.0446	.0448	.0660
Belgian belga	.1687	.1685	.1686	.1685	.1684	.1683	.1685	.1685	.1685	.1696
Netherlands florin	.5494	.5494	-	.5497	.5498	.5498	.5496	.5492	.5475	.6773
Japanese yen	.2877	.2873	.2876	.2870	.2870	.2865	.2872	.2875	.2874	.2941
Australian pound	3.9495	3.9456	3.9400	3.9406	3.9413	3.9385	3.9426	3.9489	3.9428	4.0162
Argentine peso - free rate	.3047	-	-	.3055	.3045	.3030	.3044	.3041	.3022	.2773

^x Bank of Canada.

EXCHANGE QUOTATIONS AT MONTREAL, 1936-1937

NOTE: The noon rates in Canadian Funds upon which these averages are based have been supplied by the Bank of Canada.

Former Gold Parities	New York Funds	London Sterling 4.8666	France Franc .0392 (1)	Belgian Belga .1001	Italy Lira .0526 (2)	Switzerland Franc .1930 (3)	Holland Guilder .4020 (4)	Norway Kroner .2680	Sweden Kroner .2680	Denmark Kroner .2680	
1936	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
June	1.0026	5.0328	.0661	.1695	.0789	.3250	.6790	.2529	.2595	.2246	
July	1.0008	5.0269	.0663	.1691	.0789	.3275	.6813	.2526	.2591	.2244	
August	1.0001	5.0265	.0659	.1686	.0787	.3260	.6791	.2525	.2592	.2244	
September .....	.9997	5.0390	.0647	.1689	.0786	.3174	.6671	.2532	.2598	.2249
October .....	.9997	4.8972	.0467	.1683	.0545	.2299	.5362	.2460	.2525	.2186
November .....	.9986	4.8817	.0464	.1688	.0525	.2295	.5392	.2452	.2516	.2179
December .....	.9993	4.9030	.0466	.1688	.0526	.2297	.5451	.2463	.2528	.2189
1937 - January ..	1.0003	4.9092	.0467	.1687	.0526	.2294	.5477	.2467	.2531	.2192	
February..	1.0002	4.8953	.0466	.1687	.0526	.2284	.5470	.2460	.2524	.2185	
March ....	.9995	4.8824	.0460	.1684	.0526	.2278	.5467	.2453	.2517	.2180
April ....	.9987	4.9095	.0449	.1683	.0525	.2279	.5468	.2467	.2530	.2191
May .....	.9984	4.9313	.0447	.1684	.0525	.2283	.5484	.2478	.2542	.2201
Former Gold Parities	Spain Peseta .1930	Czecho- Slovakia Koruna .0296 (5)	Argentina Peso (Paper) .4244 Unofficial	Australia (Pound) 4.8666	Brazil Milreis .1196 Unofficial	Germany Reichs- mark .2382	India Rupee .3650	China (Shanghai) Dollar	Japan Yen .4985	Union of S.Africa (Pound) 4.8666	New Zealand (Pound) 4.8666
1936	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
June1369	.0415	.2770	4.0262	.0568	.4038	.3797	.3001	.2948	5.0265	4.0587
July1373	.0416	.2729	4.0215	.0578	.4036	.3792	.3000	.2935	5.0206	4.0539
August1365	.0413	.2778	4.0210	.0584	.4023	.3794	.3007	.2941	5.0202	4.0538
September1365	.0413	.2833	4.0312	.0589	.4010	.3810	.2999	.2946	5.0327	4.0637
October	-	.0365	.2772	3.9178	.0585	.4019	.3698	.2938	.2860	4.8911	3.9488
November	-	.0354	.2765	3.9054	.0585	.4017	.3686	.2949	.2849	4.8760	3.9368
December	-	.0352	.2975	3.8820	.0594	.4019	.3706	.2954	.2849	4.8964	3.9528
1937 - January ..	-	.0350	.3024	3.9273	.0609	.4024	.3711	.2970	.2855	4.9031	3.9591
February..	-	.0349	.3003	3.9162	.0611	.4023	.3699	.2964	.2854	4.8892	3.9485
March	-	.0349	.2998	3.9060	.0610	.4019	.3687	.2967	.2848	4.8763	3.9375
April	-	.0349	.3028	3.9276	.0625	.4015	.3708	.2969	.2860	4.9033	3.9592
May	-	.0348	.3029	3.9451	.0640	.4011	.3722	.2978	.2874	4.9251	3.9768

(1) French franc devalued September 26 - New Gold content temporarily established between 43 to 49 milligrammes.

(2) Italian lira devalued by 40.93 p.c. October 5. (3) Swiss franc devalued September 26 - No value fixed but held temporarily at a rate within 10 p.c. of its former nominal dollar parity. (4) Holland abandoned gold standard September 26 - No definite stabilization level for the Dutch guilder yet established. (5) Czecho-Slovakian crown devalued October 8 by 13.3 p.c. to 18.7 p.c. over and above the 16 2/3 p.c. devaluation of February, 1934.

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010776964