

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

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SECURITY PRICES AND FOREIGN EXCHANGE, DECEMBER 31-JANUARY 6,
(1926=100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Following a firm opening, Canadian common stock averages moved higher on fairly heavy trading during the week ended January 6. This rally gained momentum on Tuesday and Thursday (December 4 and 6) and the index for industrial, utility and bank common stocks recorded the greatest weekly net rise since early in May 1937. In the industrial section, appreciable gains were shown by all groups except foods and textiles. Although London prices for metals were lower, industrial mines led the upswing, mounting from 379.3 on January 3 to 421.1 on January 6. Other groups showing strength included beverages, building materials, oils and machinery and equipment. Utilities lacked feature and price movements were generally narrow while banks moved consistently higher. The Investors' daily price index for 96 common stocks mounted from 102.3 on December 30 to 107.3 on January 6. Industrials advanced 9.9 to 175.5, utilities 0.8 to 49.2 and banks 1.7 to 84.0.

MINING STOCK PRICES

Mining stock prices continued upward during the week ended January 6, and the general index of twenty-four mining issues advanced from 137.6 for the week of December 30 to 140.1 for the following week. After a slight decline on the opening day, successive increases were registered on the remaining days of trading, and the January 6 daily index of 142.4 indicated the highest level of prices since August 31, 1937. The weekly gold average was 119.6 as compared with 117.9 for the previous week; firmer prices were accompanied by heavy trading volume except on December 31. Base metals recorded a net gain of 18.9 points, rising to 233.6 on January 6, with Hudson Bay the outstanding feature. The Bureau's monthly general index of mining stocks mounted from 129.4 for November to 134.3 for December.

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, advanced from 116.1 for the week ending December 30 to 116.2 for the week ending January 6. Turnover was light and prices remained steady until, in the latter part of the week, a slight softening occurred subsequent to the announcement of a forthcoming \$50 million loan for the Canadian National Railways. This will be used for refunding and capital expenditure. Provincials were quiet with some small recovery noticeable in issues of the Prairie Provinces. British Consols at London rose from 74 $\frac{1}{4}$ to 74 13/16, while the Dow-Jones average of selected United States bonds fell from 92.91 to 92.57. The index for Dominion of Canada long-term bond yields declined from 66.2 for the week ending December 30 to 66.1 for the week ending January 6. The highest point reached by the index of yields in 1936 was 73.8 for the second week of April, while a low of 63.9 was touched for the week of January 8.

FOREIGN EXCHANGE

Rates on New York funds steadied during the first week of the new year at a premium of about 1/32 of one per cent. after declining from 3/16 of one per cent. in the closing days of December. Temporary weakness in United States dollars attributed to foreign sales prior to the President's latest address was followed by recovery and relative stability. Forward positions of Canadian dollars at New York have recently shown unusually narrow discounts under spot rates for this time of year. Sterling fell fractionally on January 5 and 6, but remained slightly above \$5.00. With the lessening of tension regarding labour disputes in France, the franc has been firmer, and discounts on forward positions recovered several points. They were still abnormally large.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	1937	1938						Preceding	Corresponding	Weekly
	December	January						Weekly	Weekly	Average
	31	*1	3	4	5	6	Dec. 31-Jan. 6	Average	Average	A Year Ago
INVESTORS' PRICE INDEX, 96 COMMON STOCKS	102.1	-	102.2	104.9	105.0	107.3	105.0	102.3	103.9	136.1
68 INDUSTRIALS	165.6	-	165.3	170.8	171.1	175.5	171.2	165.1	168.7	221.0
Machinery and Equipment (8)	101.7	-	103.1	104.2	104.6	107.3	104.8	101.1	103.9	149.6
Pulp and Paper (7)	17.1	-	17.0	18.8	18.9	19.3	18.6	16.9	19.9	35.2
Milling (3)	82.5	-	85.4	85.9	86.5	86.5	85.2	84.0	82.3	114.1
Oils (4)	185.2	-	185.3	189.0	189.4	191.9	188.8	184.1	191.5	228.7
Textiles and Clothing (10)	62.9	-	62.9	62.9	62.6	62.8	62.8	64.0	67.6	75.2
Food and Allied Products (12)	153.6	-	151.1	153.8	151.4	151.5	152.1	153.7	154.7	183.3
Beverages (7)	110.3	-	110.3	113.0	115.0	119.2	115.6	109.9	117.2	140.5
Building Materials (15)	133.0	-	135.6	138.4	138.9	140.2	138.7	132.8	130.4	194.8
Industrial Mines (2)	381.6	-	379.3	400.7	401.8	421.1	405.4	381.1	379.4	546.9
19 UTILITIES	47.8	-	48.4	48.8	48.8	49.2	48.7	48.7	49.3	67.6
Transportation (2)	18.3	-	19.3	19.0	18.6	19.3	18.9	18.9	20.7	38.1
Telephone & Telegraph (2)	125.1	-	125.3	125.6	125.6	125.2	125.1	124.8	125.0	121.6
Power and Traction (15)	64.3	-	64.6	65.7	66.0	66.4	65.5	65.6	65.3	89.6
9 BANKS	82.4	-	82.7	82.8	83.2	84.0	83.2	82.4	80.8	91.4
MINING STOCK PRICE INDEX, 24 STOCKS	137.2	-	137.6	140.3	140.6	142.4	140.1	137.6	132.3	172.1
Gold Stocks (21)	118.3	-	118.4	120.0	120.0	120.1	119.6	117.9	114.1	135.8
Base Metals (3)	214.7	-	216.1	223.1	224.9	233.6	226.4	219.0	207.5	322.3
#DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	116.2	-	-	116.2	116.2	116.1	116.2	116.1	115.5	118.4
#DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	66.2	-	-	66.1	66.0	66.3	66.1	66.2	67.8	63.9
FOREIGN EXCHANGE QUOTATIONS ^x - NOON RATES AT MONTREAL										
Sterling	5.0017	-	5.0059	5.0055	5.0021	4.9991	5.0029	5.0036	4.9943	4.9108
U.S. dollars	1.0009	-	1.0003	1.0003	1.0002	1.0003	1.0004	1.0013	.9997	.9998
French franc	.0339	-	.0340	.0340	.0339	.0339	.0339	.0340	.0341	.0467
Belgian belga	.1698	-	.1698	.1698	.1696	.1697	.1697	.1699	.1699	.1686
Netherlands florin	.5569	-	.5573	.5571	.5569	.5567	.5570	.5568	.5559	.5474
Japanese yen	.2909	-	.2913	.2913	.2910	.2909	.2911	.2912	.2908	.2839
Australian pound	4.0013	-	4.0047	4.0044	4.0016	3.9992	4.0022	4.0029	3.9955	3.9284
Argentine peso - free rate	.2928	-	.2926	.2931	.2930	.2926	.2928	.2932	.2929	.3045

^x Bank of Canada. / Dominion Steel & Coal "B" and Price Bros. substituted for Lake of the Woods and Laura Secord.
Montreal and Toronto Stock Exchanges closed. # Perpetual 3s substituted for 4 1/2s of 1946.

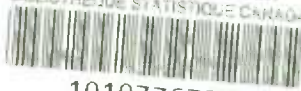
EXCHANGE QUOTATIONS AT MONTREAL, 1937.

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	Belgian Belga .1001	Italy Lira .0526	Switzerland Franc .1950	Holland Guilder .4020	Norway Kroner .2680	Sweden Kroner .2680	Denmark Kroner .2680
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
June	1.0005	4.9380	.0444	.1688	.0526	.2289	.5500	.2481	.2546	.2204
July	1.0013	4.9736	.0331	.1686	.0527	.2295	.5516	.2497	.2564	.2220
August	1.0001	4.9826	.0375	.1683	.0526	.2297	.5516	.2503	.2569	.2224
September	1.0000	4.9532	.0352	.1684	.0526	.2297	.5515	.2489	.2553	.2211
October .....	.9997	4.9535	.0335	.1685	.0526	.2301	.5527	.2489	.2554	.2211
November .....	.9992	4.9908	.0339	.1699	.0526	.2313	.5541	.2507	.2573	.2228
December	1.0004	4.9985	.0340	.1699	.0526	.2313	.5562	.2511	.2576	.2231

Former Gold Parities	Spain Peseta .1950	Czecho- Slovakia Koruna .0296	Argentina Peso (Paper) .4244	Australia (Pound) 4.8666	Brazil Milreis .1196	Germany Reichs- mark .2582	India Rupee .3650	China (Shanghai) Dollar	Japan Yen .4985	Union of S.Africa (Pound) 4.8666	New Zealand (Pound) 4.8666
			Unofficial		Unofficial						
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
June	-	.0348	.3049	3.9504	.0656	.4009	.3726	.2969	.2877	4.9252	3.9822
July	-	.0349	.3016	3.9789	.0665	.4025	.3755	.2957	.2892	4.9674	4.0108
August .....	.0637	.0349	.3016	3.9861	.0655	.4022	.3761	.2967	.2903	4.9771	4.0183
September .....	.0647	.0349	.2989	3.9629	.0639	.4013	.3739	.2969	.2887	4.9470	3.9950
October .....	.0627	.0350	.2978	3.9628	.0585	.4015	.3740	.2948	.2884	4.9473	3.9947
November0627	.0351	.2950	3.9926	.0572	.4033	.3767	.2943	.2907	4.9845	4.0248
December0619	.0351	.2930	3.9988	.0544	.4032	.3769	.2948	.2910	4.9922	4.0310

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