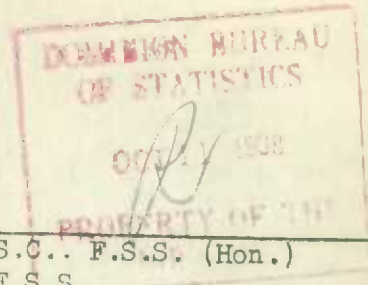


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DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH



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SECURITY PRICES AND FOREIGN EXCHANGE, SEPTEMBER 30-OCTOBER 6
(1926-100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Extending the recovery movement initiated on September 28, Canadian common stocks sharing the buoyancy of world markets, staged a vigorous advance for the first week of October. The Investors' price index for industrial utility and bank stocks rose from 96.0 for the week of September 29 to 105.9 for the week ended October 6. Except for a mild reactionary tendency on October 4, the general price index displayed daily gains and all sections registered important net increases ranging from 25.4 for industrial mines to 2.5 for transportation. With sales volume remaining at high levels, stocks were as prominent in the upturn as they had been in the descent. Pulp and paper issues were an outstanding feature, the index for this group showing a rise of 19 per cent on October 6 over the comparable day last week. The general price series of 95 common stocks mounted 7.1 to 107.8 between September 29 and October 6, with the industrials rising 11.5 to 178.4, utilities 4.1 to 47.1 and banks 2.8 to 85.2.

MINING STOCK PRICES

With bullish sentiment ruling the mining market, prices in all sections registered further substantial advances during the week ended October 6. The Bureau's weekly index for 24 mining issues moved up from 138.2 last week to 153.1 for the week ending October 6, an increase of 10.8 per cent. On an average weekly basis the gold and base metal sub-group indexes shared almost equally in the advance. A comparison of the daily indexes of September 29 and October 6, however, indicated a much sharper increase for the base metals, which amounted to 9.7 per cent while the golds only recorded a gain of 2.8 per cent. Recent upward moves in the price of copper undoubtedly gave added impetus to base metal shares. For the week ended October 6, average indexes were 120.5 for the golds and 288.0 for the base metals.

LONG-TERM BOND PRICES AND YIELDS

The more conciliatory attitudes of major European powers concerned in the settlement of the Sudeten problem had a steadying effect upon security markets, and the Dominion Bureau of Statistics' index of Dominion of Canada long-term bond prices rose from 114.3 for the week ending September 29 to 116.0 for the week ending October 6. The Bureau's daily index which stood at 113.1 for the 29th, moved to 116.2 for October 1, but declined 0.2 points on the 3rd. The reaction was short-lived, however, and the following advance carried the index to 116.4 by Thursday, October 6. In the provincial section, the losses of the previous week were largely regained, with Saskatchewans showing additional strength. British Consols closed 1-3/4 up at 73-3/4, while the Dow-Jones average of high-grade United States bonds mounted from 86.49 to 89.55. The index for Dominion of Canada long-term bond yields declined from 68.2 for the week ending September 29 to 64.6 for the week ending October 6, and the average yield fell from 3.31 to 3.14.

FOREIGN EXCHANGE

(Quotations are Montreal noon rates unless otherwise specified)

After a brief interval of wide and spectacular fluctuation, exchange markets moved within narrower limits during the week ended October 6. Having risen sharply to \$4.8553 on September 30, sterling reacted and by October 4 had reached a low for the period of \$4.8245, but a subsequent minor recovery carried values up to \$4.8380 by October 6. Movements of the French franc were generally in line with sterling, except that the nadir of 2.69 cents was reached on October 3. Closing quotations of 2.70 cents were one point below the opening figure. Engagement of gold for shipment to New York continued although on a diminished scale with values at London falling to 144 sh 5 d at the close of the week as compared with the record high of 147 sh 0 d per ounce at the end of the previous period. Canadian dollars continued at a discount and premiums on United States funds moved down irregularly from 3/4 of 1 per cent on September 30th to 11/16 of 1 per cent on October 6.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	1938						Weekly Average Sept.29-Oct.6	Preceding Weekly Average Sept.23-29	Corres- ponding Weekly Average Last Month	Weekly Average A Year Ago
	Sept. 30	1	3	October 4	5	6				
INVESTORS' PRICE INDEX, 95 COMMON STOCKS	104.2	105.0	105.3	105.2	106.8	107.8	105.9	96.0	104.2	113.6
68 INDUSTRIALS	172.2	173.5	173.9	173.7	176.4	178.4	174.9	158.3	171.5	183.6
Machinery and Equipment (8)	131.0	133.0	133.1	132.6	135.3	134.3	133.2	115.3	132.2	116.2
Pulp and Paper (7)	20.3	20.8	20.8	20.5	21.9	23.2	21.9	17.1	20.0	26.5
Milling (3)	80.8	80.8	80.9	85.4	86.6	86.6	83.3	76.7	83.6	73.4
Oils (4)	174.9	176.0	177.9	177.5	175.8	181.5	177.5	160.7	175.6	204.8
Textiles and Clothing (10)	56.6	56.9	56.8	57.0	57.1	57.4	56.8	52.1	58.5	71.7
Food and Allied Products (12)	168.4	168.5	165.9	168.6	168.7	168.9	168.4	158.3	166.9	162.3
Beverages (7)	116.4	118.5	118.6	120.4	123.2	122.1	120.3	103.2	120.5	113.8
Building Materials (15)	132.0	135.3	136.4	135.5	138.5	140.0	136.3	117.0	133.0	145.1
Industrial Mines (2)	428.7	432.0	431.1	428.4	443.4	443.5	435.6	394.0	420.4	427.3
19 UTILITIES	45.5	45.9	46.2	46.1	46.8	47.1	46.4	41.2	45.7	55.8
Transportation (2)	15.6	15.9	16.1	16.1	16.6	16.9	16.3	13.5	15.9	23.0
Telephone & Telegraph (2)	123.1	125.0	125.4	125.0	125.5	125.3	124.9	117.4	124.6	126.5
Power and Traction (15)	62.1	62.6	62.8	62.7	63.7	64.0	63.1	55.8	62.0	76.8
8 BANKS	84.1	84.4	84.4	84.6	85.0	85.2	84.5	80.7	85.7	82.6
MINING STOCK PRICE INDEX, 24 STOCKS	151.7	152.4	153.6	153.5	154.4	154.7	153.1	138.2	155.0	129.7
Gold Stocks (21)	120.0	120.4	120.9	121.2	121.0	120.0	120.5	109.2	123.3	110.0
Base Metals (3)	282.7	284.3	288.6	287.2	292.4	298.4	288.0	258.5	285.6	210.3
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	115.1	116.2	116.0	116.0	116.1	116.4	116.0	114.3	117.4	114.8
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	66.5	64.3	64.7	64.7	64.2	63.4	64.6	68.2	63.2	69.4
FOREIGN EXCHANGE QUOTATIONSx - NOON RATES AT MONTREAL										
Sterling	4.8553	4.8508	4.8276	4.8245	4.8340	4.8380	4.8384	4.8162	4.8455	4.9536
U.S. dollars	1.0075	1.0056	1.0069	1.0069	1.0066	1.0069	1.0067	1.0120	1.0024	1.0000
French franc	.0271	.0271	.0269	.0270	.0270	.0270	.0270	.0270	.0272	.0332
Belgian belga	.1700	.1701	.1701	.1704	.1702	.1702	.1702	.1712	.1691	.1685
Netherlands florin	.5466	.5471	.5473	.5479	.5479	.5478	.5474	.5435	.5430	.5529
Japanese yen	.2829	.2823	.2814	.2810	.2816	.2818	.2818	.2806	.2824	.2885
Australian pound	3.8843	3.8807	3.8621	3.8597	3.8672	3.8704	3.8707	3.8530	3.8765	3.9628
Argentine peso - free rate	.2554	-	.2552	.2552	.2552	.2552	.2552	.2552	.2544	.2982

x Bank of Canada

EXCHANGE QUOTATIONS AT MONTREAL, 1937-1938.

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	France Franc	Belgium Belga	Italy Lira	Switzerland Franc	Netherlands Florin	Norway Krone	Sweden Krona	Denmark Krone	
		4.8666	.0392	.1001	.0526	.1930	.4020	.2680	.2680	.2680	
1937	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
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	
1938											
January	1.0001	5.0003	.0334	.1693	.0526	.2313	.5572	.2512	.2577	.2232	
February .....	.9997	5.0165	.0329	.1697	.0526	.2322	.5594	.2520	.2585	.2239
March	1.0028	4.9984	.0313	.1693	.0528	.2311	.5570	.2511	.2575	.2231	
April	1.0054	5.0061	.0312	.1694	.0529	.2310	.5585	.2516	.2580	.2235	
May	1.0082	5.0081	.0284	.1698	.0530	.2303	.5581	.2516	.2582	.2236	
June	1.0107	5.0116	.0281	.1714	.0532	.2314	.5594	.2518	.2584	.2237	
July	1.0054	4.9562	.0278	.1701	.0529	.2301	.5533	.2490	.2554	.2212	
August	1.0034	4.8970	.0274	.1692	.0528	.2296	.5478	.2460	.2524	.2186	
September	1.0062	4.8335	.0271	.1698	.0529	.2275	.5428	.2429	.2491	.2157	
			x Argentine								
Former Gold Parities	Spain Peseta	Czecho-Slovakia Koruna	Peso (Paper) Unofficial	Australia Pound	Brazil Milreis	Germany Reichsmark	India Rupee	China (Shanghai) Dollar	Japan Yen	Union of S. Africa Pound	New Zealand Pound
	.1930	.0296	.4244	4.8666	.1196	.2382	.3650	.4985	4.8666	4.8666	
1937	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
September0647	.0349	.2989	3.9629	x .0639	.4013	.3739	.2969	.2887	4.9470	3.9950
October0627	.0350	.2978	3.9628	x .0585	.4015	.3740	.2948	.2884	4.9473	3.9947
November0627	.0351	.2950	3.9926	x .0572	.4033	.3767	.2943	.2907	4.9845	4.0248
December0619	.0351	.2930	3.9988	x .0541	.4032	.3769	.2948	.2910	4.9922	4.0310
1938											
January0614	.0351	.2918	4.0002	-	.4029	.3775	.2950	.2906	4.9941	4.0325
February0609	.0351	.2661	4.0128	.0583	.4041	.3788	.2961	.2903	5.0103	4.0459
March0583	.0351	.2569	3.9984	.0589	.4035	.3774	.2834	.2896	4.9923	4.0312
April0579	.0350	.2557	4.0049	.0590	.4041	.3762	.2712	.2916	5.0004	4.0363
May0590	.0351	.2630	4.0058	.0590	.4049	.3736	.2410	.2918	5.0018	4.0389
June0582	.0351	.2632	4.0093	.0592	.4070	.3713	.1910	.2920	5.0053	4.0416
July0569	.0348	.2610	3.9638	.0588	.4040	.3695	.1834	.2887	4.9500	3.9969
August0577	.0345	.2586	3.9176	.0586	.4023	.3652	.1670	.2854	4.8909	3.9491
September0525	.0347	.2546	3.8670	.0589	.4021	.3605	.1730	.2818	4.8275	3.8981

x Free Market Rate.

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