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DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH

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SECURITY PRICES AND FOREIGN EXCHANGE, JUNE 10-JUNE 16
(1926=100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

The Canadian common stock index registered its fifth consecutive recession during the week ended June 16, and trading was comparatively quiet. An opening rally did not hold and consistent daily declines were recorded from June 11 to June 14. On the following day another attempted rally occurred, centred mainly in industrial mines and building materials, but half of this advance was erased on the 16th. In the industrial section, five sub-groups including oils and beverages displayed net losses while industrial mines and milling led the advance in the remaining four sub-groups. The Investors' price index for 96 industrial, utility and bank common stocks dropped from 95.5 on June 8 to 94.7 on June 16. Industrials declined 1.7 to 153.5 and utilities 0.2 to 43.4, while banks rose 0.1 to 80.4.

MINING STOCK PRICES

A wide interest in trading accompanied by rising prices characterized the Canadian mining markets during the past week. The general price index of twenty-four mining issues rose from 143.5 for the week ended June 9 to 146.9 for the week ended June 16. Stimulated by a strong gold bullion market at London, the gold stocks moved higher and daily indexes registered substantial gains, the most appreciable increase occurring on the last two days of trading. The gold series mounted from 118.3 on June 8 to 123.2 on the 16th, the highest level touched since February 22. The base metal average scored a 10.6 point advance to 255.4 on the opening session but later weakness appeared and the index receded to 250.5 on June 14. However, a renewal of strength in the next two days cancelled the greater part of these losses and the index for this section closed at 254.0. The Bureau's weekly price index for golds advanced from 118.5 to 121.0 between the weeks ended June 9 and 16, and the base metal index from 246.2 to 253.7.

LONG-TERM BOND PRICES AND YIELDS

A slightly easier tone was apparent in domestic high-grade bond markets during the week ending June 16 and bids, with a few exceptions, finished 1/8 to 1/4 below the close of the previous week. This was reflected in the Dominion Bureau of Statistics weekly index of Dominion of Canada long-term bond prices which declined from 118.1 for the week ending June 9 to 118.0 for the week ending June 16. The Bureau's daily index remained at 118.0 for the first three days and then rose to 118.1 on the 14th. It fell to 117.8 on the 15th but subsequently recovered to 117.9. Among the provincials, outstanding advances were made by some of the westerns. Saskatchewan, particularly, were strong and the 5s of 1958 moved up 1 1/2 points to 76 1/2. Albertas showed numerous increases of from 3 to 4 points, while the Manitoba and British Columbia issues followed with more modest gains. British Consols at London fluctuated narrowly to finish the week 3/8 down at 74 3/8. However, the British Government's new National Defence Loan for £80,000,000 which was offered on the 16, was quickly subscribed. The Dow-Jones average of 40 high-grade United States bonds moved down from 85.59 to 83.96. Yields of Dominion of Canada long-term bonds rose from 61.8 for the week ending June 9 to 62.1 for the week ending June 16 and the average weekly yield of the issues included in this index advanced from 3.00 to 3.01.

FOREIGN EXCHANGE

(Quotations are Montreal noon rates unless otherwise specified)

Coincident with persistent rumours of further currency devaluation affecting the United States and certain European countries, London gold bullion prices and sterling rates showed unusual strength during the second week of June. Official denials that such a step was contemplated were made by the United States and Italy. Nevertheless, bullion advanced sharply from 140s. 6 1/2d. on the 13th to 140s. 10d. on the 16th, which was equivalent to \$35.02 in U.S. funds. Sterling touched a peak of \$5.0313 on the 15th and reacted to \$5.0207 next day. The premium on New York funds likewise dropped to 1 per cent. on the 16th, which was its lowest in nearly a month. French francs, belgas, and florins were firm throughout the week.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	1938 J U N E						Weekly Average June 10-16	Preceding Weekly Average June 3-9	Corresponding Weekly Average Last Month	Weekly Average A Year Ago
	10	11	13	14	15	16				
INVESTORS' PRICE INDEX, 96 COMMON STOCKS	96.0	95.5	94.8	94.5	94.9	94.7	95.1	95.9	100.8	129.0
68 INDUSTRIALS	155.9	154.8	153.6	152.8	154.0	153.5	154.2	155.9	165.6	209.1
Machinery and Equipment (8)	105.1	106.1	104.7	104.1	104.0	104.1	104.7	104.6	108.6	148.0
Pulp and Paper (7)	14.5	14.4	14.3	14.2	14.1	14.2	14.2	14.6	16.2	38.0
Milling (3)	82.2	82.2	82.2	82.2	82.2	83.5	82.5	82.1	87.2	105.0
Oils (4)	166.5	165.5	164.0	161.9	161.8	161.1	163.3	169.5	178.6	219.5
Textiles and Clothing (10)	53.1	53.1	53.0	52.9	53.0	53.0	53.0	52.3	54.7	78.0
Food and Allied Products (12)	152.9	152.6	152.7	154.3	154.0	153.9	153.4	152.1	153.9	178.5
Beverages (7)	108.1	105.9	106.8	107.0	106.2	105.9	106.7	107.4	108.3	132.6
Building Materials (15)	119.9	120.4	119.2	117.5	118.9	118.3	119.3	119.5	124.1	184.7
Industrial Mines (2)	373.1	368.7	365.0	364.6	373.2	371.6	369.7	366.5	400.3	503.7
19 UTILITIES	44.0	44.1	43.6	43.7	43.4	43.4	43.7	43.7	44.8	63.2
Transportation (2)	14.4	14.4	13.9	14.1	13.9	14.1	14.1	14.3	15.0	32.3
Telephone & Telegraph (2)	124.5	124.4	123.9	124.3	124.4	124.2	124.1	124.6	124.3	126.9
Power and Traction (15)	59.7	60.0	59.5	59.4	59.0	58.8	59.4	59.4	61.4	84.3
9 BANKS	80.4	80.6	80.3	80.6	80.4	80.4	80.3	80.2	80.9	92.6
MINING STOCK PRICE INDEX, 24 STOCKS	145.8	145.6	144.9	145.3	147.7	148.7	146.9	143.5	141.3	135.0
Gold Stocks (21)	119.2	119.4	119.1	119.8	121.9	123.2	121.0	118.5	114.7	105.9
Base Metals (3)	255.4	253.2	251.1	250.5	253.7	254.0	253.7	245.2	251.5	256.2
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	118.0	118.0	118.0	118.1	117.8	117.9	118.0	118.1	118.4	114.8
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	62.0	62.0	62.0	61.8	62.3	62.2	62.1	61.8	61.3	69.4
FOREIGN EXCHANGE QUOTATIONS* - NOON RATES AT MONTREAL										
Sterling	5.0180	5.0259	5.0255	5.0260	5.0313	5.0207	5.0246	5.0088	5.0081	4.9378
U.S. dollars	1.0125	1.0113	1.0119	1.0119	1.0113	1.0100	1.0115	1.0122	1.0081	1.0002
French franc	.0281	.0282	.0281	.0281	.0282	.0281	.0281	.0281	.0282	.0445
Belgian belga	.1714	.1717	.1718	.1718	.1721	.1718	.1718	.1713	.1696	.1688
Netherlands florin	.5599	.5603	.5610	.5610	.5615	.5602	.5607	.5589	.5579	.5499
Japanese yen	.2924	.2930	.2928	.2927	.2932	.2925	.2928	.2919	.2918	.2889
Australian pound	4.0144	4.0207	4.0204	4.0210	4.0250	4.0164	4.0197	4.0071	4.0066	3.9502
Argentine peso - free rate	.2633	-	.2636	.2636	.2639	.2651	.2639	.2631	.2633	.3041

x Bank of Canada.

MONTHLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BOND PRICES, 1930 - 1938
(From data issued by A. E. Ames and Co. Ltd.)
(1926=100)

	1930	1931	1932	1933	1934	1935	1936	1937	1938
January	99.0	103.1	94.1	103.3	104.6	115.9	113.6	117.7	116.1
February	99.3	103.1	94.9	103.4	105.4	114.2	115.0	115.3	116.6
March	99.9	103.7	96.4	102.1	107.9	115.0	115.5	112.9	116.8
April	100.5	104.5	96.2	102.9	109.4	114.5	115.7	112.7	117.3
May	100.9	104.0	96.3	103.8	110.3	115.2	115.9	113.8	118.2
June	101.0	105.0	94.6	104.9	110.4	114.2	117.0	114.9	-
July	101.2	105.3	97.0	104.8	111.1	114.5	118.0	115.1	-
August	102.1	105.3	101.0	105.6	112.3	114.8	119.1	115.5	-
September	103.0	102.1	101.8	105.7	112.6	110.9	119.1	115.3	-
October	103.2	98.1	103.8	105.0	111.2	110.2	117.1	114.5	-
November	103.2	97.4	102.6	104.2	112.2	112.5	117.6	114.8	-
December	103.1	95.5	101.2	103.6	115.2	112.5	118.2	115.6	-

MONTHLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BOND YIELDS, 1930-1938
(From data issued by A. E. Ames and Co. Ltd.)
(1926=100)

	1930	1931	1932	1933	1934	1935	1936	1937	1938
January	102.1	93.9	112.7	96.3	93.2	70.9	72.4	64.6	66.3
February	101.4	93.6	112.2	96.0	91.0	73.2	70.8	68.4	65.4
March	101.1	91.9	109.1	97.7	86.1	71.4	69.9	72.7	64.7
April	99.3	90.0	109.8	96.6	83.8	72.2	69.5	73.2	63.7
May	98.4	89.3	109.3	95.0	81.8	71.4	68.8	71.0	61.7
June	98.2	88.3	111.7	93.3	82.1	73.4	66.9	69.3	-
July	98.0	88.3	107.5	93.5	80.1	72.1	65.1	69.0	-
August	95.9	88.3	100.5	92.2	77.8	71.6	63.2	68.1	-
September	93.9	95.5	98.7	92.4	77.2	79.8	63.1	68.3	-
October	93.6	105.2	96.2	93.5	79.3	78.9	66.2	69.7	-
November	93.6	107.7	98.5	94.3	77.2	74.5	65.1	68.8	-
December	93.9	111.7	99.4	95.1	71.3	75.5	64.1	67.4	-

MONTHLY INDEX NUMBERS OF PROVINCE OF ONTARIO REPRESENTATIVE BOND ISSUES, 1930-1938
(From data issued by Wood, Gundy & Co. Ltd.)
(1926=100)

	1930	1931	1932	1933	1934	1935	1936	1937	1938
January	102.3	95.0	119.8	99.2	97.3	76.2	85.5	70.4	69.7
February	102.3	95.0	115.9	98.7	96.0	78.3	80.6	74.3	69.3
March	101.3	95.0	110.6	100.0	90.2	79.5	77.3	78.5	68.5
April	101.3	95.0	111.3	101.3	87.7	80.8	78.5	77.9	67.2
May	101.3	91.9	113.2	98.1	84.8	78.5	76.6	74.5	65.3
June	100.8	91.9	114.4	97.1	85.4	80.4	73.3	72.9	-
July	100.2	92.9	110.6	96.7	83.1	80.2	72.0	73.1	-
August	96.0	91.9	103.3	95.0	82.3	79.7	71.2	72.2	-
September	92.9	97.1	101.9	95.8	82.0	88.3	69.9	71.8	-
October	93.9	103.3	98.1	94.6	82.9	85.4	72.2	73.1	-
November	93.9	105.4	102.0	97.3	81.0	80.8	71.8	72.7	-
December	93.9	108.6	102.7	98.5	76.2	82.7	69.7	71.2	-

WEEKLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BONDS, 1938*

Date		Prices	Yields
March	3	117.0	64.7
	10	117.3	64.0
	17	117.1	64.2
	24	116.1	65.7
	31	116.6	65.0
April	7	116.8	64.9
	14	117.0	64.5
	21	117.5	63.7
	28	117.9	62.2
May	5	118.0	62.1
	12	118.2	61.7
	19	118.4	61.3
	26	118.2	61.7
June	2	118.0	61.9
	9	118.1	61.8
	16	118.0	62.1

* Based upon an average of daily figures for the week ending on dates specified.

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