

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

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Price \$1.50 per year
Single copies 10 centsSECURITY PRICES AND FOREIGN EXCHANGE DECEMBER 8-DECEMBER 14
(1926=100)INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Canadian common stock daily prices averages for 95 industrial, utility and bank stocks moved irregularly lower to close the week ended December 14 at 101.5 for a net loss of 0.9. Price movements were generally narrow, reflecting an easier tendency at New York and trading was light. The industrial index declined 1.6 points to 165.7 and in this section six sub-groups receded while three registered increases. Among the sub-groups to show net losses were beverages, machinery and equipment, oils and building materials, while foods advanced over 3 p.c. In the utility division, all sections recorded declines led by a 7.3 p.c. drop in transportation stocks. The utility index was 45.8 on December 14 as compared with 46.5 on December 7. Banks rose 0.4 to 84.8.

MINING STOCK PRICES

Dullness prevailed throughout the greater part of the past week, on Canadian mining markets, which lost fractional parts of gains recorded in the week preceding. The Bureau's daily price index of twenty-five mining issues receded from 142.7 on December 7 to 142.3 on December 14. During the past five or six weeks, gold stocks have been steady, paralleling their behaviour at the same time last year. However, the gold index is now approximately fifteen points lower than a year ago. The daily price index of the gold group moved narrowly between 105.0 and 104.4, to close the week at the latter figure. The base metal index at 299.5 on December 14, recorded a net loss of 0.5 for the week. A firmer tendency was noted in the closing days. Weekly indexes were 104.6 for golds and 298.2 for base metals as compared with 105.0 and 297.5 respectively, for the preceding week ended December 7.

LONG-TERM BOND PRICES AND YIELDS

Dominion of Canada long-term bond prices moved but little during the week ending December 14, and the Bureau's index at 113.2 was the same as for the week ending December 7. Changes were few until the 14th, when a number of issues declined fractionally to lower the daily index 0.2 to 113.0. Provincials were quiet. The \$12 million Province of Ontario loan for general purposes recently offered was well received. British Consols moved 1/8 lower to 67 3/4, while the Dow-Jones average of selected United States bonds receded from 89.52 to 89.24. The index for Dominion of Canada long-term bond yields rose from 68.7 to 68.8, and the average yield of the issues included in this index advanced fractionally to 3.34.

FOREIGN EXCHANGE

(Quotations are Montreal noon rates unless otherwise specified)

Extending its advance of the previous week, quotations on sterling free rates at New York moved up 2¢ to \$3.93 1/2 during the seven day period ended December 14. This compared with a weekly high of \$3.94 touched on December 13 and a low of \$3.91 quoted on the 8th. The Canadian dollar also showed narrow strength, finishing 1/8¢ higher at 87 1/4¢, although it had been quoted as high as 87 5/16¢ earlier in the week. At Montreal, French francs, reflecting strength in sterling, closed 1 point higher at 2.48¢. Neutrals were steady to higher, belgas moving up 2 points to 18.33¢ on December 14 while Dutch florins remained unchanged at 58.92¢. Mexican pesos, reflecting withdrawals of capital which followed the recent removal of a tax on these capital transfers, dropped sharply in terms of the Canadian dollar. At the close of the week, the peso (quoted nominally) was off 2.72¢ at 19.92¢ though it had been as low as 19.15¢. It was announced during the week that a financial accord had been signed by the Governments of Great Britain and France whereby the two countries agreed to stabilize their currencies at the rate of 176 1/2 francs to the £ sterling until six months after the signature of a peace treaty. No change occurred in daily buying and selling rates set by the Canadian Foreign Exchange Control Board for sterling and United States funds which remained at \$4.43-\$4.47 and \$1.10-\$1.11.

SUMMARY OF FINANCIAL PRICE FACTORS

| Dates | 1939 DECEMBER | | | | | | Weekly Average | Preceding Weekly Average | Corresponding Weekly Average | Weekly Average |
|--|------------------|--------|--------|--------|--------|--------|-------------------|--------------------------------|------------------------------------|-------------------|
| | 8. | 9. | 11 | 12 | 13 | 14 | Dec.8-14 | Dec.1-7 | Last Month | A Year Ago |
| INVESTORS' PRICE INDEX, 95 COMMON STOCKS | 101.9 | 102.0 | 102.0 | 101.6 | 101.9 | 101.5 | 101.8 | 101.3 | 102.9 | 106.8 |
| 68 INDUSTRIALS | 166.6 | 167.1 | 166.8 | 165.9 | 166.6 | 165.7 | 166.4 | 165.2 | 170.3 | 179.3 |
| Machinery and Equipment (8) | 143.2 | 144.0 | 143.3 | 143.6 | 144.5 | 142.6 | 143.5 | 142.6 | 139.3 | 134.5 |
| Pulp and Paper (7) | 23.3 | 23.5 | 23.2 | 23.3 | 23.7 | 23.8 | 23.5 | 22.9 | 22.7 | 19.5 |
| Milling (3) | 101.8 | 100.4 | 102.9 | 102.9 | 102.7 | 102.3 | 102.5 | 101.4 | 96.2 | 81.4 |
| Oils (4) | 166.4 | 166.8 | 167.3 | 166.0 | 166.5 | 165.4 | 166.4 | 163.6 | 169.9 | 176.6 |
| Textiles and Clothing (10) | 84.6 | 84.6 | 84.5 | 84.8 | 85.2 | 84.4 | 84.8 | 84.4 | 82.8 | 56.6 |
| Food and Allied Products (12) | 179.7 | 179.7 | 180.0 | 180.2 | 180.4 | 181.2 | 180.2 | 178.4 | 174.7 | 169.1 |
| Beverages (7) | 129.8 | 129.7 | 128.1 | 127.2 | 127.6 | 128.2 | 128.1 | 129.5 | 125.5 | 136.2 |
| Building Materials (15) | 155.2 | 156.1 | 154.4 | 155.1 | 156.0 | 154.7 | 155.3 | 155.0 | 156.1 | 139.6 |
| Industrial Mines (2) | 379.7 | 381.0 | 379.7 | 376.9 | 378.9 | 376.2 | 378.7 | 376.7 | 394.6 | 460.5 |
| 19 UTILITIES | 46.0 | 45.8 | 45.9 | 45.9 | 46.0 | 45.8 | 45.9 | 45.8 | 44.4 | 44.1 |
| Transportation (2) | 17.0 | 17.0 | 16.8 | 16.5 | 16.7 | 16.5 | 16.8 | 16.9 | 16.1 | 13.8 |
| Telephone & Telegraph (2) | 126.2 | 126.1 | 126.5 | 126.2 | 127.2 | 125.7 | 126.7 | 126.8 | 124.5 | 127.7 |
| Power and Traction (15) | 61.3 | 61.0 | 61.3 | 61.6 | 61.3 | 61.5 | 61.4 | 61.0 | 59.2 | 60.0 |
| 8 BANKS | 84.6 | 84.6 | 84.7 | 84.8 | 84.8 | 84.8 | 84.4 | 84.8 | 84.0 | 83.8 |
| MINING STOCK PRICE INDEX, 25 STOCKS | 142.3 | 142.4 | 141.5 | 142.2 | 142.4 | 142.3 | 142.2 | 141.9 | 144.9 | 153.5 |
| Gold Stocks (22) | 104.9 | 104.9 | 104.4 | 105.0 | 104.6 | 104.4 | 104.6 | 105.0 | 106.5 | 121.5 |
| Base Metals (3) | 297.9 | 298.5 | 295.8 | 296.5 | 299.4 | 299.5 | 298.2 | 295.7 | 303.9 | 312.7 |
| DOMINION OF CANADA LONG-TERM BOND PRICE INDEX | 113.2 | 113.2 | 113.2 | 113.2 | 113.2 | 113.0 | 113.2 | 113.2 | 112.7 | 117.9 |
| DOMINION OF CANADA LONG-TERM BOND YIELD INDEX | 68.6 | 68.6 | 68.6 | 68.6 | 69.1 | 69.1 | 68.8 | 68.7 | 69.6 | 61.5 |
| FOREIGN EXCHANGE QUOTATIONSx - NOON RATES AT MONTREAL | | | | | | | | | | |
| +Sterling | 4.4500 | 4.4500 | 4.4500 | 4.4500 | 4.4500 | 4.4500 | 4.4500 | 4.4500 | 4.4500 | 4.7133 |
| +U.S. dollars | 1.1050 | 1.1050 | 1.1050 | 1.1050 | 1.1050 | 1.1050 | 1.1050 | 1.1050 | 1.1050 | 1.0094 |
| -French franc | .0246 | .0246 | .0246 | .0247 | .0248 | .0248 | .0247 | .0246 | .0246 | .0265 |
| Belgian belga | .1829 | - | .1829 | .1825 | .1828 | .1833 | .1829 | .1833 | .1810 | .1700 |
| Netherlands florin | .5892 | .5894 | .5892 | .5892 | .5892 | .5892 | .5892 | .5892 | .5892 | .5485 |
| Japanese yen | .2602 | .2602 | .2602 | .2602 | .2602 | .2602 | .2602 | .2603 | .2602 | .2748 |
| Australian pound | 3.5760 | 3.5760 | 3.5760 | 3.5760 | 3.5760 | - | 3.5760 | 3.5760 | 3.5760 | 3.7706 |
| Argentine peso - free rate | .2559 | - | .2536 | .2531 | .2531 | .2520 | .2535 | .2547 | .2566 | .2288 |

x Bank of Canada. + Since September 16, 1939, quotations used are the average of the daily buying and selling rate set by the Foreign Exchange Control Board. The current buying and selling rate for sterling is \$4.43 and \$4.47 and for U.S. funds \$1.10 and \$1.11.

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MONTHLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BOND PRICES, 1931-1939.
(From data issued by A. E. Ames and Co. Ltd.)
(1926=100)

| | <u>1931</u> | <u>1932</u> | <u>1933</u> | <u>1934</u> | <u>1935</u> | <u>1936</u> | <u>1937</u> | <u>1938</u> | <u>1939</u> |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| January | 103.1 | 94.1 | 103.3 | 104.6 | 115.9 | 113.6 | 117.7 | 116.1 | 117.5 |
| February | 103.1 | 94.9 | 103.4 | 105.4 | 114.2 | 115.0 | 115.3 | 116.6 | 117.6 |
| March | 103.7 | 96.4 | 102.1 | 107.9 | 115.0 | 115.5 | 112.9 | 116.8 | 117.9 |
| April | 104.5 | 96.2 | 102.9 | 109.4 | 114.5 | 115.7 | 112.7 | 117.3 | 116.8 |
| May | 104.0 | 96.3 | 103.8 | 110.3 | 115.2 | 115.9 | 113.8 | 118.2 | 117.0 |
| June | 105.0 | 94.6 | 104.9 | 110.4 | 114.2 | 117.0 | 114.9 | 118.1 | 118.0 |
| July | 105.3 | 97.0 | 104.8 | 111.1 | 114.5 | 118.0 | 115.1 | 117.6 | 117.9 |
| August | 105.3 | 101.0 | 105.6 | 112.3 | 114.8 | 119.1 | 115.5 | 117.6 | 116.3 |
| September | 102.1 | 101.8 | 105.7 | 112.6 | 110.9 | 119.1 | 115.3 | 116.0 | 109.3 |
| October | 98.1 | 103.8 | 105.0 | 111.1 | 110.2 | 117.1 | 114.5 | 116.9 | 112.0 |
| November | 97.4 | 102.6 | 104.2 | 112.2 | 112.5 | 117.6 | 114.8 | 117.8 | 113.1 |
| December | 95.5 | 101.2 | 103.6 | 115.2 | 112.5 | 118.2 | 115.6 | 117.7 | - |

MONTHLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BOND YIELDS, 1931-1939.
(From data issued by A. E. Ames and Co. Ltd.)
(1926=100)

| | <u>1931</u> | <u>1932</u> | <u>1933</u> | <u>1934</u> | <u>1935</u> | <u>1936</u> | <u>1937</u> | <u>1938</u> | <u>1939</u> |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| January | 93.9 | 112.7 | 96.3 | 93.2 | 70.9 | 72.4 | 64.6 | 66.3 | 62.1 |
| February | 93.6 | 112.2 | 96.0 | 91.0 | 73.2 | 70.8 | 68.4 | 65.4 | 61.9 |
| March | 91.9 | 109.1 | 97.7 | 86.1 | 71.4 | 69.9 | 72.7 | 64.7 | 61.1 |
| April | 90.0 | 109.8 | 96.6 | 83.8 | 72.2 | 69.5 | 73.2 | 63.7 | 63.0 |
| May | 89.3 | 109.3 | 95.0 | 81.8 | 71.4 | 68.8 | 71.0 | 61.7 | 62.4 |
| June | 88.3 | 111.7 | 93.3 | 82.1 | 73.4 | 66.9 | 69.3 | 61.8 | 60.1 |
| July | 88.3 | 107.5 | 93.5 | 80.1 | 72.1 | 65.1 | 69.0 | 62.7 | 60.1 |
| August | 88.3 | 100.5 | 92.2 | 77.8 | 71.6 | 63.2 | 68.1 | 62.7 | 62.9 |
| September | 95.5 | 98.7 | 92.4 | 77.2 | 79.8 | 63.1 | 68.3 | 65.3 | 76.5 |
| October | 105.2 | 96.2 | 93.5 | 79.3 | 78.9 | 66.2 | 69.7 | 63.2 | 71.0 |
| November | 107.7 | 98.5 | 94.3 | 77.2 | 74.5 | 65.1 | 68.8 | 61.5 | 69.0 |
| December | 111.7 | 99.4 | 95.1 | 71.3 | 75.5 | 64.1 | 67.4 | 61.8 | - |

MONTHLY INDEX NUMBERS OF PROVINCE OF ONTARIO REPRESENTATIVE BOND ISSUES, 1931-1939.
(From data issued by Wood, Gundy and Co., Ltd.)
(1926=100)

| | <u>1931</u> | <u>1932</u> | <u>1933</u> | <u>1934</u> | <u>1935</u> | <u>1936</u> | <u>1937</u> | <u>1938</u> | <u>1939</u> |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| January | 95.0 | 119.8 | 99.2 | 97.3 | 76.2 | 85.5 | 70.4 | 69.7 | 68.1 |
| February | 95.0 | 115.9 | 98.7 | 96.0 | 78.3 | 80.6 | 74.3 | 69.3 | 69.7 |
| March | 95.0 | 110.6 | 100.0 | 90.2 | 79.5 | 77.3 | 78.5 | 68.5 | 68.3 |
| April | 95.0 | 111.3 | 101.3 | 87.7 | 80.8 | 78.5 | 77.9 | 67.2 | 70.6 |
| May | 91.9 | 113.2 | 98.1 | 84.8 | 78.5 | 76.6 | 74.5 | 65.3 | 68.7 |
| June | 91.9 | 114.4 | 97.1 | 85.4 | 80.4 | 73.3 | 72.9 | 65.3 | 65.8 |
| July | 92.9 | 110.6 | 96.7 | 83.1 | 80.2 | 72.0 | 73.1 | 66.8 | 65.8 |
| August | 91.9 | 103.3 | 95.0 | 82.3 | 79.7 | 71.2 | 72.2 | 66.8 | 72.6 |
| September | 97.1 | 101.9 | 95.8 | 82.0 | 88.3 | 69.9 | 71.8 | 68.9 | 84.1 |
| October | 103.3 | 98.1 | 94.6 | 82.9 | 85.4 | 72.2 | 73.1 | 66.8 | 75.8 |
| November | 105.4 | 102.3 | 97.3 | 81.0 | 80.8 | 71.8 | 72.7 | 65.1 | 72.9 |
| December | 108.6 | 102.7 | 98.5 | 76.2 | 82.7 | 69.7 | 71.2 | 65.8 | - |

WEEKLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BONDS, 1939x

| <u>Date</u> | | <u>Prices</u> | <u>Yields</u> |
|-------------|----------|---------------|---------------|
| Sept. | 7 | 110.1 | 74.3 |
| | 14 | 108.5 | 78.2 |
| | 21 | 109.0 | 77.4 |
| | 28 | 109.5 | 76.1 |
| Oct. | 5 | 110.2 | 74.7 |
| | 12 | 111.1 | 72.6 |
| | 19 | 112.1 | 71.1 |
| | 26 | 112.9 | 69.2 |
| Nov. | 2 | 113.2 | 68.7 |
| | 9 | 113.3 | 68.6 |
| | 16 | 112.7 | 69.6 |
| | 23 | 113.2 | 69.1 |
| | 30 | 113.3 | 68.9 |
| Dec. | 7 | 113.2 | 68.7 |
| | 14 | 113.2 | 68.8 |

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



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