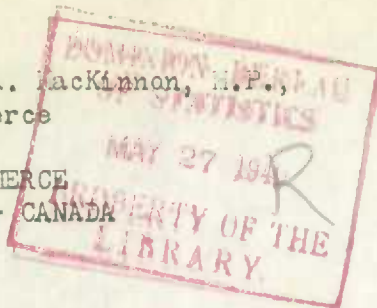


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DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH

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SECURITY PRICES AND FOREIGN EXCHANGE, MAY 17-23
(1926=100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Price averages for Canadian industrial and utility common stocks again moved sharply lower in the week ended May 23. The Investors' index dropped from 82.9 on the 16th to 73.7 on the 23rd. Industrials fell from 131.1 to 114.4, utilities from 39.4 to 36.2 and banks from 80.4 to 77.5. From May 16 to 21 the decline was unbroken, but markets steadied during the two days following. On the 23rd, the Investors' index was approximately 25 p.c. below opening April levels which marked the beginning of the current decline.

MINING STOCK PRICES

In the third week of May, mining stock price averages sank to the lowest levels touched since May, 1933. The general price index for 25 mining issues dropped from 110.2 on May 16 to 96.9 on the 23rd. The gold section fell from 81.8 to 73.3 and base metals from 228.3 to 194.8. In both groups the net decline approximated 9 p.c. for the week. The major portion of these losses was concentrated in two sharp breaks on May 17 and 21. The greatest sales volume of the current year accompanied the decline on the latter date.

LONG-TERM BOND PRICES AND YIELDS

The Dominion Bureau of Statistics' index of Dominion of Canada long-term bond prices declined from 115.4 for the week ending May 16 to 115.2 for the week ending May 23. The Bureau's daily index fell 0.2 to 115.2 on the opening day, but remained unchanged thereafter. The index of yields rose from 71.7 for the week ending May 16 to 71.9 for the week ending May 23. This was 3.6 above the corresponding week of last year, but 3.8 below the high for the current year, reached by the week of January 11. Weakness featured the provincial list, with occasional reduction exceeding 3 points.

British Consols recovered much of the previous week's loss, rising from 71 $\frac{3}{4}$ to 74, while the Dow-Jones average of selected United States bonds dropped from 85.76 to 83.10.

FOREIGN EXCHANGE

(Quotations are Montreal noon rates unless otherwise specified)

There was no change in official buying and selling rates set by the Canadian Foreign Exchange Control Board for sterling and United States funds during the week ended May 23. These remained at \$4.43-\$4.47 and \$1.10-\$1.11 respectively. At New York sterling free market rates dropped from \$3.26 on the 16th to \$3.17 on the 21st but subsequently stiffened to \$3.19 at the close. During the same interval Canadian funds at New York declined 3¢ to a ten-year low of 78¢. Montreal rates for the French franc eased 2 points to 2.01¢ between May 16 and 23 while Swiss francs, after touching a low of 23.52¢ on the opening day recovered to 24.85¢ on the 23rd for a net advance of 14 points. The Swedish krona was comparatively steady, being quoted 6 points higher at 26.38¢ as the week ended, while the Italian lira remained steady at 5.59¢ on official support.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	1 9 4 0						Weekly Average May 17-23	Preceding Weekly Average May 10-16	Corresponding Weekly Average Last Month	Weekly Average A Year Ago
	17	18	20	21	22	23				
INVESTORS' PRICE INDEX, 95 COMMON STOCKS	79.9	78.4	77.1	72.4	73.6	73.7	75.3	83.6	95.6	99.0
68 INDUSTRIALS	125.6	122.8	120.3	111.8	114.4	114.4	117.2	132.0	151.9	162.8
Machinery and Equipment (8)	102.5	99.9	97.4	89.1	93.4	92.8	95.5	107.5	130.3	110.8
Pulp and Paper (7)	16.3	16.2	15.8	12.2	13.0	12.9	13.8	18.2	24.8	11.7
Milling (3)	79.9	73.2	73.4	69.7	69.8	67.1	72.4	83.2	94.1	79.3
Oils (4)	127.8	124.8	118.5	105.2	111.6	114.5	114.5	135.8	145.2	172.1
Textiles and Clothing (10)	78.4	77.1	76.3	71.8	72.3	72.3	74.3	84.0	92.1	55.2
Food and Allied Products (12)	163.0	161.5	161.5	156.3	150.8	147.3	154.2	171.3	182.6	176.5
Beverages (7)	117.1	114.9	116.1	104.0	103.9	106.2	108.5	121.9	139.5	121.2
Building Materials (15)	113.6	111.7	111.7	106.2	107.5	107.6	109.0	117.8	144.9	123.2
Industrial Mines (2)	257.5	251.0	250.2	243.3	246.0	240.1	248.3	267.9	335.5	384.4
19 UTILITIES	38.5	38.0	37.6	35.7	35.8	36.2	36.8	40.0	47.1	43.2
Transportation (2)	12.9	12.7	12.7	10.4	10.4	10.4	11.2	14.0	19.0	10.0
Telephone & Telegraph (2)	118.7	117.3	115.6	114.3	114.2	115.0	115.4	116.0	125.8	132.9
Power and Traction (15)	50.3	49.7	49.1	47.4	47.6	48.2	48.6	52.8	62.0	60.8
8 BANKS	79.5	79.0	78.5	78.0	77.5	77.5	78.2	81.6	84.1	84.1
MINING STOCK PRICE INDEX, 25 STOCKS	106.1	102.6	102.9	97.4	97.5	96.9	99.7	111.5	128.6	152.1
Gold Stocks (22)	78.2	76.5	76.7	73.0	73.8	73.3	74.7	82.6	94.5	115.2
Base Metals (3)	221.7	210.8	211.3	199.0	196.0	194.8	204.8	232.3	269.8	306.1
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	115.2	115.2	115.2	115.2	115.2	115.2	115.2	115.4	115.4	118.2
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	71.9	71.9	71.9	71.9	71.9	71.9	71.9	71.7	71.7	68.3
FOREIGN EXCHANGE QUOTATIONS* - NOON RATES AT MONTREAL										
*Sterling	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.6968
*U.S. dollars	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.0034
French franc	.0204	.0204	.0205	.0200	.0199	.0201	.0202	.0202	.0221	.0266
Italy lira	.0559	.0559	.0559	.0559	.0559	.0559	.0559	.0559	.0560	.0528
Sweden krone	.2642	.2646	.2641	.2637	.2640	.2638	.2641	.2640	-	.2419
Japanese yen	.2602	.2602	.2602	.2602	.2602	.2602	.2602	.2602	.2602	.2737
Australian pound	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.7574
Argentine peso - free rate	.2531	-	.2520	.2520	.2520	.2514	.2521	.2508	.2553	.2324

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.

MONTHLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BOND PRICES, 1932-1940
(From data issued by A. E. Ames and Co. Ltd.)
(1926=100)

	<u>1932</u>	<u>1933</u>	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
January	94.2	103.9	105.2	116.9	114.1	118.7	116.0	118.6	113.2
February	95.2	104.2	106.1	115.2	115.7	116.3	116.4	118.8	114.0
March	96.9	102.6	108.6	115.7	116.3	113.6	116.6	119.6	114.0
April	96.7	103.6	110.3	115.5	116.5	113.1	117.5	118.8	114.9
May	96.6	104.4	111.2	116.4	116.6	113.9	118.3	118.1	-
June	94.2	105.7	111.1	115.2	117.8	114.9	118.0	119.1	-
July	97.0	105.7	111.9	115.3	118.7	115.2	117.8	119.2	-
August	101.8	106.5	113.1	115.6	120.0	115.7	117.7	118.1	-
September	102.7	106.4	113.4	111.9	120.3	115.6	116.4	109.6	-
October	104.9	105.9	112.0	111.2	118.3	114.7	116.9	111.3	-
November	103.6	105.1	113.3	113.3	118.6	114.7	118.4	113.5	-
December	101.9	104.3	116.3	113.1	119.1	115.8	118.7	112.7	-

MONTHLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BOND YIELDS, 1932-1940

	<u>1932</u>	<u>1933</u>	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
January	112.4	97.9	94.9	73.6	76.6	67.8	71.5	67.4	74.4
February	111.5	97.5	93.6	76.2	74.6	71.3	71.0	67.5	73.4
March	109.0	99.0	88.6	74.9	73.6	75.6	70.4	66.3	73.4
April	109.1	97.8	85.5	75.3	73.3	76.5	69.3	67.5	72.4
May	109.1	96.7	84.0	74.0	72.6	75.3	68.2	68.4	-
June	112.3	94.9	83.8	76.1	70.5	73.8	68.6	67.0	-
July	108.7	94.9	82.4	75.7	68.7	73.3	68.9	66.8	-
August	101.0	94.0	80.3	75.1	66.6	72.6	69.2	68.1	-
September	100.1	94.1	79.8	81.2	66.0	72.5	70.6	78.3	-
October	97.3	94.9	81.6	81.9	69.1	74.0	70.0	76.5	-
November	98.2	95.2	80.1	78.0	68.1	73.7	68.1	74.0	-
December	100.6	96.0	74.6	78.5	67.2	72.0	67.7	75.1	-

MONTHLY INDEX NUMBERS OF PROVINCE OF ONTARIO REPRESENTATIVE BOND YIELDS, 1932-1940
(From data issued by Wood, Gundy and Co. Ltd.)
(1926=100)

	<u>1932</u>	<u>1933</u>	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
January	119.8	99.2	97.3	76.2	85.5	70.4	69.7	68.1	71.8
February	115.9	98.7	96.0	78.3	80.6	74.3	69.3	69.7	71.0
March	110.6	100.0	90.2	79.5	77.3	78.5	68.5	68.3	72.4
April	111.3	101.3	87.7	80.8	78.5	77.9	67.2	70.6	71.4
May	113.2	98.1	84.8	78.5	76.6	74.5	65.3	68.7	72.4
June	114.4	97.1	85.4	80.4	73.3	72.9	65.3	65.8	-
July	110.6	96.7	83.1	80.2	72.0	73.1	66.8	65.8	-
August	103.3	95.0	82.3	79.7	71.2	72.2	66.8	72.6	-
September	101.9	95.8	82.0	88.3	69.9	71.8	68.9	84.1	-
October	98.1	94.6	82.9	85.4	72.2	73.1	66.8	75.8	-
November	102.3	97.3	81.0	80.8	71.8	72.7	65.1	72.9	-
December	102.7	98.5	76.2	82.7	69.7	71.2	65.8	73.5	-

WEEKLY INDEX NUMBERS OF DOMINION OF CANADA LONG-TERM BONDS, 1940x

<u>Date</u>	<u>Prices</u>	<u>Yields</u>
April 4	114.4	72.9
11	114.9	72.3
18	114.7	72.6
25	115.4	71.7
May 2	115.7	71.3
9	115.6	71.4
16	115.4	71.7
23	115.2	71.9

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

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