

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

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Single copies 10 centsSECURITY PRICES AND FOREIGN EXCHANGE, JULY 12-JULY 18
(1926=100)INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Price movements of Canadian common stocks were generally firmer on light trading during the week ended July 18. The Investors' daily price index for 95 industrial and utility common stocks mounted from 70.7 on July 11 to 73.0 on July 18. All sections of the composite index with the exception of foods, shared in the advance and net increases ranged from 1.9 p.c. for power and traction to 7.8 p.c. for pulp and paper issues. Other groups to register moderate gains were beverages up 7.5 p.c., milling 6.6 p.c., oils 5.6 p.c., communication issues 4.1 p.c. and machinery and equipment 4.0 p.c. The industrial index closed at 114.7 as compared with 110.7 a week earlier. Utilities rose 2.6 p.c. to 35.3 and banks 1.4 p.c. to 70.0.

MINING STOCK PRICES

The Bureau's daily price index for 25 mining issues rose from 87.9 on July 11 to 93.1 on July 18. Most activity occurred in the latter half of the week, and losses of the past month were wiped out. Golds and base metals shared almost equally in the advance, mounting 5.9 p.c. and 6.2 p.c. to 70.0 and 189.0 respectively. The composite mining index was 90.4 for the week ended July 18 as compared with 86.8 for the week of July 11. The weekly average for golds rose from 65.7 to 67.9 and for base metals from 175.3 to 183.2.

LONG-TERM BOND PRICES AND YIELDS

Dominion of Canada long-term bond prices moved narrowly but at a slightly higher level, during the week of July 18, and the Bureau's index advanced from 114.4 for the week of July 11 to 114.6. Turnover was light, and the daily index remained at 114.6 throughout the week. The index of yields fell from 73.0 to 72.7, which compared with 66.6 for the corresponding week of July 1939. Provincials were steady to firm, but advances were small and scattered.

British Consols at 72 1/4 closed without net change for the second week, while the Dow-Jones average of selected United States bonds rose from 88.32 to 88.64. Comparable figures for July 18 of last year were 66 7/8 and 89.81.

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 July 18. These remained at \$4.43-\$4.47 and \$1.10-\$1.11 respectively. At New York sterling free market rates advanced from \$3.66 1/2 on July 11 to a mid-week peak of \$3.86 on the 15th, while the close at \$3.81 indicated a net increase of 14 1/2¢. Closely paralleling sterling the Canadian dollar rate at New York advanced from 85 5/8¢ on the 11th to 88 1/4¢ on the 18th for a net gain of 2 5/8¢. Mid-week strength in sterling accompanied sharply increased covering operations following reports from London of regulations which will virtually eliminate the use of free sterling and the market for it after July 18. After the 18th only official sterling rates will be permitted in payment for British exports and on the 17th the New York Foreign Exchange Committee recommended that trading in official sterling would start on the following day on the basis of \$4.02-\$4.04 for cable transfers. Reversing its downward tendency of the past few weeks the Argentine peso (free rate) at Montreal gained 44 points to 24.03¢ between July 11 and 18. Quotations for the Swiss franc stiffened 6 points to 25.20¢ in the same period.

SUMMARY OF FINANCIAL PRICE FACTORS

Datos	1940 JULY						Weekly Average	Preceding Weekly Average	Corresponding Weekly Average	Weekly Average
	12	13	15	16	17	18	July 12-18	July 5-11	Last Month	A Year Ago
INVESTORS' PRICE INDEX, 95 COMMON STOCKS	71.2	71.1	70.9	72.0	72.4	73.0	72.0	70.6	72.6	98.0
68 INDUSTRIALS	111.7	111.2	110.8	112.8	113.1	114.7	112.8	110.8	113.0	160.7
Machinery and Equipment (8)	87.1	88.1	88.4	90.3	90.7	90.9	89.6	86.9	94.2	118.9
Pulp and Paper (7)	13.0	13.0	12.9	13.3	13.9	13.9	13.4	13.1	12.9	12.1
Milling (3)	65.2	65.2	65.2	65.7	65.9	69.5	67.9	66.2	62.8	75.2
Oils (4)	100.0	99.1	99.0	101.0	100.7	103.8	101.0	99.4	101.6	156.6
Textiles and Clothing (10)	73.2	73.2	73.2	74.4	74.5	75.3	74.0	72.4	70.0	59.5
Food and Allied Products (12)	146.2	146.1	144.4	145.0	143.2	143.9	144.6	144.5	145.6	182.3
Beverages (7)	109.0	110.4	110.4	115.3	115.7	117.9	114.8	107.6	106.4	125.4
Building Materials (15)	100.9	101.1	100.3	101.5	101.6	101.9	101.4	99.3	104.0	130.3
Industrial Mines (2)	261.3	259.3	257.7	261.9	265.1	266.2	262.6	258.9	262.8	398.4
19 UTILITIES	34.9	35.0	35.0	35.7	36.1	35.8	35.6	34.5	35.4	42.8
Transportation (2)	10.3	10.4	10.6	11.1	11.1	10.9	10.9	10.8	10.9	10.6
Telephone & Telegraph (2)	108.4	109.7	110.1	112.3	113.3	111.9	111.0	103.2	112.4	132.8
Power & Traction (15)	46.7	46.6	46.4	47.0	47.7	47.5	47.0	46.4	46.3	59.2
8 BANKS	69.2	69.5	69.6	69.6	69.6	70.0	69.7	69.2	75.2	85.1
MINING STOCK PRICE INDEX, 25 STOCKS	87.4	87.8	87.7	88.8	91.3	93.1	90.4	86.8	90.0	156.2
Gold Stocks (22)	66.0	66.0	65.9	66.5	68.4	70.0	67.9	65.7	66.5	118.0
Base Metals (3)	176.3	178.2	178.2	181.7	185.9	189.0	183.2	175.3	188.0	314.9
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	114.6	114.6	114.6	114.6	114.6	114.6	114.6	114.4	114.3	119.4
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	72.7	72.7	72.7	72.7	72.7	72.7	72.7	73.0	73.3	66.6
FOREIGN EXCHANGE QUOTATIONS ^x - NOON RATES AT MONTREAL										
£ Sterling	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.6883
\$ U.S. dollars	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.0014
Brazil milreis - free rate	.0558	-	.0557	.0557	.0557	.0557	.0557	.0558	.0558	.0510
India rupee	.3359	.3359	.3359	.3359	.3359	.3359	.3359	.3359	.3359	.3495
Sweden krona	.2644	.2644	.2645	.2647	.2646	.2647	.2646	.2646	.2642	.2415
Japan yen	.2600	.2600	.2601	.2601	.2601	.2601	.2601	.2601	.2601	.2732
Australian pound	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.7507
Argentine peso - free rate	.2359	-	.2403	.2403	.2403	.2403	.2394	.2357	.2425	.2321

^x Bank of Canada. Averages of daily buying and selling rates set by the Foreign Exchange Control Board. Since September 16, 1939, current buying and selling rates were: Sterling \$4.43 and \$4.47; 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	115.4
June	94.2	105.7	111.1	115.2	117.8	114.9	118.0	119.1	114.4
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	71.8
June	112.3	94.9	83.8	76.1	70.5	73.8	68.6	67.0	73.0
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	80.2	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	73.1
June	114.4	97.1	85.4	80.4	73.3	72.9	65.3	65.8	75.6
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>
May 2	115.7	71.3
9	115.6	71.4
16	115.4	71.7
23	115.2	71.9
30	114.9	72.5
June 6	114.5	72.9
13	114.5	72.8
20	114.3	73.3
27	114.4	73.0
July 4	114.3	73.1
11	114.4	73.0
18	114.6	72.7

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

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