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DOMINION BUREAU OF STATISTICS - CANADA  
INTERNAL TRADE BRANCH

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SECURITY PRICES AND FOREIGN EXCHANGE, AUG. 23-AUG. 29.  
(1926=100)

INDUSTRIAL AND UTILITY COMMON STOCK PRICES

Gains accumulated in industrial and utility common stock prices during the previous week were consolidated in the six-day period ended August 29. After advancing from 76.9 on the opening day to a peak of 78.0 on the 28th the Bureau's daily index for 95 common stocks eased to 77.5 on the 29th for a net increase of 0.5 points. Nine out of thirteen sub-group indexes recorded increases, ranging between 0.4 points for milling stocks and 4.7 points for industrial mines. Losses in the other sub-groups were negligible with the exception of transportation issues which dropped nearly half of the 21.9 p.c. increase of the previous week. Compared with the year's low of 68.5 on June 26, the composite index has recovered about 8.9 p.c. of the 32.5 p.c. drop since the beginning of the year. Weekly averages compared with the previous week were 77.4 and 74.9 for the Investors' composite index, 122.6 and 117.4 for industrials, and 37.5 and 37.0 for utilities.

MINING STOCK PRICES

Reflecting improvement in other security markets, mining stock prices, notably golds, showed further moderate advances during the week ended August 29. The composite daily index for 25 mining issues finished 1.6 points higher at 105.2 due mainly to a 1.7 point increase to 79.1 for the gold index. Compared with the year's low of 86.2 in the final week of June, the composite index has advanced about 22 p.c., to approximate parity with levels ruling in mid-May. Following a mid-week drop to 210.6, the daily index for 3 base metals stiffened to 213.5 as the week ended for a net gain of 1.5 points. Weekly average indexes of 103.7 for the composite, 77.6 for golds and 212.5 for base metals indicated net increases of 3.0 points, 2.3 points and 6.8 points respectively when compared with the previous week.

LONG-TERM BOND PRICES AND YIELDS

Dominion of Canada long-term bond prices continued to rise, and the Bureau's index of prices advanced from 115.3 for the week of August 22 to 115.5 for the week of August 29. The recent sale of \$40,000,000 treasury bills to yield a slightly lower average of .641 p.c., was also indicative of market strength. The index of yields fell from 71.9 to 71.5, which compared with 71.4 for the corresponding week of last year. Provincials were quiet, with moderate increases shown for a few issues.

British Consols moved still higher, closing 1/8 up at 74, while the Dow-Jones average of selected United States bonds rose from 88.35 to 88.48.

FOREIGN EXCHANGE

(Quotations are Montreal noon rates unless otherwise specified)

Official buying and selling rates set by the Canadian Foreign Exchange Control Board for sterling and United States funds remained unchanged at \$4.43-\$4.47 and \$1.10-\$1.11 respectively, during the week ended August 29. Following a  $\frac{1}{4}$ ¢ drop to \$.4.02  $\frac{3}{4}$  on the opening day sterling free market rates at New York subsequently stiffened to \$4.03  $\frac{1}{4}$  as the week closed for a net gain of  $\frac{1}{4}$ ¢. In the same interval Canadian funds at New York gained 1  $\frac{1}{4}$ ¢ on increased demand to 87  $\frac{3}{4}$ ¢. It was announced from London during the earlier part of the week that effective August 27 importation of Bank of England notes into the United Kingdom would be prohibited. Placing of this new restriction was said to be due to the possibility that quantities of bank notes had fallen into enemy hands following the French capitulation. At Montreal rates on Hong Kong and Shanghai dollars after mid-week strength subsequently eased moderately to close at 24.94¢ and 5.84¢ for small net losses. Swiss francs declined 3 points to 25.26¢ between August 22 and 29 while Argentine pesos (free rates) eased 5 points to 25.09¢.

SUMMARY OF FINANCIAL PRICE FACTORS

Dates	1940 AUGUST						Weekly Average	Preceding Weekly Average	Corresponding Weekly Average	Weekly Average A Year
	23	24	26	27	28	29	Aug. 23-29	Aug. 16-22	Last Month	Aug
INVESTORS' PRICE INDEX, 95 COMMON STOCKS	76.9	77.3	77.4	77.1	78.0	77.5	77.4	74.9	75.0	92.3
68 INDUSTRIALS	121.4	122.3	122.4	122.0	123.7	122.7	122.6	117.4	118.1	151.0
Machinery and Equipment (8)	100.3	100.7	100.1	100.3	101.7	102.9	101.3	97.6	95.8	104.7
Pulp and Paper (7)	15.3	15.3	15.5	15.3	15.5	15.3	15.4	15.1	15.3	10.0
Milling (3)	68.4	68.4	67.4	67.4	68.8	68.8	67.7	68.5	70.0	74.9
Oils (4)	105.0	104.7	104.7	105.2	106.3	106.9	105.5	102.2	105.3	143.1
Textiles and Clothing (10)	76.2	76.5	76.7	77.1	78.6	78.9	77.5	76.0	76.2	59.2
Food and Allied Products (12)	150.5	150.4	153.2	150.9	150.9	150.9	151.3	147.0	149.1	177.0
Beverages (7)	119.9	120.1	121.3	122.6	120.5	118.1	120.7	118.8	119.1	114.7
Building Materials (15)	108.1	109.1	110.1	110.6	110.8	110.3	110.0	107.0	105.8	119.1
Industrial Mines (2)	296.2	301.5	300.2	297.0	305.2	298.0	300.7	281.5	274.5	383.5
19 UTILITIES	37.4	37.5	37.6	37.4	37.6	37.4	37.5	37.0	36.7	39.9
Transportation (2)	13.4	13.7	13.7	12.9	13.2	12.9	13.2	13.2	12.3	8.9
Telephone & Telegraph (2)	110.6	111.5	113.1	114.1	113.7	113.9	112.7	109.5	112.2	127.7
Power & Traction (15)	48.8	48.6	48.7	48.6	49.0	48.7	48.8	48.6	48.2	55.2
8 BANKS	72.2	72.2	72.1	72.1	72.3	72.9	72.3	72.0	71.2	83.0
MINING STOCK PRICE INDEX, 25 STOCKS	103.4	103.1	103.6	103.1	104.7	105.2	103.7	100.7	101.1	147.7
Gold Stocks (22)	77.0	76.9	77.2	77.2	78.6	79.1	77.6	75.3	74.6	109.8
Base Metals (3)	213.1	211.7	213.1	210.6	213.4	213.5	212.5	205.7	211.7	305.3
DOMINION OF CANADA LONG-TERM BOND PRICE INDEX	115.4	115.4	115.4	115.7	115.8	115.7	115.5	115.3	114.9	115.2
DOMINION OF CANADA LONG-TERM BOND YIELD INDEX	71.6	71.6	71.6	71.3	71.2	71.2	71.5	71.9	72.4	71.4
FOREIGN EXCHANGE QUOTATIONS <sup>x</sup> - NOON RATES AT MONTREAL										
#Sterling	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4500	4.4607
#U.S. dollars	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.1050	1.0202
Brazil milreis - free rate	.0557	-	.0557	.0557	.0557	.0557	.0557	.0557	.0558	.0511
India rupee	.3359	.3359	.3359	.3359	.3359	.3359	.3359	.3359	.3359	.3311
Sweden krona	.2644	.2644	.2644	.2644	.2644	.2642	.2644	.2643	.2646	.2429
Japan yen	.2601	.2601	.2602	.2601	.2601	.2601	.2601	.2601	.2601	.2594
Australian pound	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5760	3.5686
Argentine peso - free rate	.2520	-	.2520	.2520	.2503	.2509	.2514	.2510	.2423	.2337

<sup>x</sup> Bank of Canada. # Averages of daily buying and selling rates 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.

INDEX NUMBERS OF TWENTY-FIVE MINING STOCKS  
(1926-100)

No. of Stocks 1940	Gold	Base Metals	Total Index		
	22	3	25		
x1929 - High	89.7	318.0	127.9		
Low	52.7	157.3	72.6		
x1932 - High	63.1	82.3	64.8		
Low	48.5	42.5	46.8		
x1933 - High	111.9	144.1	116.7		
Low	64.9	68.2	65.1		
x1934 - High	140.1	167.6	143.3		
Low	103.1	125.0	107.3		
x1935 - High	131.2	211.7	136.7		
Low	104.7	128.6	114.9		
x1936 - High	136.2	322.1	170.3		
Low	118.3	205.5	135.4		
x1937 - High	141.3	356.5	180.0		
Low	99.7	183.1	115.8		
x1938 - High	125.5	322.5	160.9		
Low	105.1	206.8	125.1		
x1939 - High	124.4	324.9	162.7		
Low	97.1	273.7	131.7		
<u>1933</u>					
July	119.8	282.1	151.1		
August	123.8	289.2	156.0		
September	113.6	269.8	144.0		
October	121.3	308.2	157.4		
November	121.1	319.3	159.6		
December	121.6	313.0	159.0		
<u>1939</u>					
January	121.4	307.0	158.0		
February	121.1	315.1	158.8		
March	118.2	305.6	155.0		
April	110.1	282.6	143.7		
May	114.6	303.3	151.4		
June	116.5	308.6	153.9		
July	117.7	314.7	155.8		
August	112.8	310.3	151.4		
September	99.6	298.3	137.7		
October	106.6	299.6	144.7		
November	106.3	304.1	144.7		
December	105.0	298.0	142.4		
<u>1940</u>					
January	107.3	298.8	144.7		
February	101.8	288.1	137.9		
March	96.5	281.8	132.6		
April	95.7	276.7	130.7		
May	79.6	221.1	106.8		
June	67.9	186.6	90.9		
July	69.6	187.7	92.9		
<u>Weekly Index Numbers</u>					
Week ending July	4th	65.7	173.6	86.7	
"	"	11th	65.7	175.3	86.8
"	"	18th	67.9	183.2	90.4
"	"	25th	71.3	193.6	95.1
"	Aug.	1st	74.6	211.7	101.1
"	"	8th	74.8	203.5	100.8
"	"	16th	73.2	204.1	98.5
"	"	23rd	75.3	205.7	100.7
"	"	29th	77.6	212.5	103.7

x Weekly figures.

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