

remained unchanged, but the average fall was greatest for manufactured goods. As in 1933 and 1934, therefore, the barter terms of agricultural and mineral-producing countries, which had been most severely affected by the price declines in the early years of the depression, improved in 1935, although they were still unfavourable when compared with the years 1925-29.

On the other hand, the quantum of manufactured articles declined more than that of foodstuffs and raw materials in the early years of the depression. The quantum of foodstuffs declined more slowly but it continued to decline until 1934, rising slightly in 1935. The quantum of raw or partly manufactured materials declined more than that of foodstuffs but since 1932 has recovered more than either of the other two groups. The price and quantum movements of these three groups are shown by the following index figures:—

Item.	1929.	1932.	1933.	1934.	1935.
Price Movement (1929=100).					
Foodstuffs.....	100.0	52.0	45.5	41.0	40.0
Materials, raw or partly manufactured.....	100.0	44.0	40.5	39.0	39.0
Manufactured articles.....	100.0	64.0	55.5	49.5	48.0
All commodities.....	100.0	52.5	46.5	43.0	42.0
Quantum Movement (1929=100).					
Foodstuffs.....	100.0	90.5	84.5	84.0	86.0
Materials, raw or partly manufactured.....	100.0	82.0	87.5	89.5	93.5
Manufactured articles.....	100.0	58.0	59.5	65.5	68.5
All commodities.....	100.0	74.5	75.5	78.5	82.0

The drought situation in the United States and the consequent importation of foodstuffs was an important factor in the increased quantum of trade in foodstuffs in 1935, while the progress of recovery in that country and the expanding trade of Japan were potent influences in increasing the quantum of raw materials. A large part of the increased quantum in manufactured articles since 1932 has been due to a greater movement of capital goods such as building materials, iron and steel, machinery, and certain semi-durable goods such as motor cars, and is probably partly due to the tendency to increased industrialization in formerly non-industrial countries and to re-armament programs.

