

sponding levels of a year ago. An interesting point to be noted was the pronounced stability of the building materials index, which showed greater resistance to decline than either primary or fully manufactured product indexes.

Percentage Changes in Wholesale Prices of Basic Commodities.—A close examination of the price movements of basic commodities indicates the underlying character of recent trends. Percentage changes in prices for twenty such products are given in the statement below for the latest two years, the commodities being grouped by direction of price movement.

Between December, 1936, and December, 1937, such prices ranged from an increase of 27 p.c. to a decrease of 33 p.c. and between December, 1937, and December, 1938, from an increase of 16 p.c. to a decrease of 56 p.c.

The contrast between field and animal farm products is rather striking, especially in the net results over the two-year period. On this basis all field crops represented show very substantial reductions in price, but cattle and hogs show the highest increases among the twenty commodities listed, and, while butter, hides and skins, and raw wool each fell in price, the net reductions (especially of butter) are not so great as in any of the field crops.

On the basis of individual years, only two out of the twenty commodities show a consistently upward trend and prices of five commodities have moved consistently downwards. The group showing a reversal of trend in an upward direction in 1938 includes such imported raw materials as rubber, raw cotton, and raw silk, which suffered more severely than most from falling prices in 1937, while wheat is the most outstanding of those commodities showing a reversal of trend in a downward direction.

PERCENTAGE CHANGES IN BASIC COMMODITY WHOLESALE PRICES, 1937 AND 1938.

Commodity.	Dec. 1936- Dec. 1937.	Dec. 1937- Dec. 1938.	Dec. 1936- Dec. 1938.
Rising in both 1937 and 1938.			
Hogs.....	+ 5	+ 7	+12
Coal.....	+ 2	+ 3	+ 5
Falling in 1937, rising in 1938.			
Rubber.....	-27	+11	-19
Copper.....	- 8	+ 2	- 6
Hides and skins.....	-29	+ 5	-25
Raw cotton.....	-33	+ 2	-32
Raw silk.....	-20	+16	- 7
Rising in 1937, falling in 1938.			
Wheat.....	+ 9	-56	-52
Flour.....	+ 1	-35	-34
Wood-pulp.....	+27	-21	0
Pig iron.....	+17	-11	+ 3
Lumber.....	+ 4	- 4	0
Butter.....	+16	-27	-15
Cattle.....	+21	- 5	+16
Petroleum products.....	+ 2	- 4	- 3
Falling in both 1937 and 1938.			
Rye.....	-22	-48	-60
Barley.....	-22	-38	-52
Oats.....	- 6	-43	-47
Raw wool.....	-12	-24	-33
Lead.....	-30	- 6	-34

Industrial Material Prices in Canada.—The Dominion Bureau of Statistics inaugurated in 1938 a new series of index numbers, consisting of 30 basic industrial materials. It is computed from an unweighted geometric average with 1926 prices equal to 100. The 30 commodities were divided into 2 main groups of 18 sensitive manufacturing materials and 12 stable price series. The 18 sensitive commodities