

World Retail Price Indexes.—In order to place changes in Canadian retail prices in perspective with those occurring in other countries, Table 8 provides retail price indexes for selected countries and dates. It will be noted that increases in retail prices have been world-wide. These indexes also measure price change only and should not be used to compare living costs from country to country.

8.—Index Numbers of Retail Prices in Canada and other Countries, 1949 and December 1951 and 1952

(Base: 1948=100, except for France and The Netherlands where 1949=100. SOURCE: *Monthly Bulletin of Statistics of the United Nations.*)

Country	1949	Month of December—		Country	1949	Month of December—	
		1951	1952			1951	1952
Australia.....	109	158	173	The Netherlands.....	100	119	122
Canada.....	103	122	120	New Zealand.....	102	125	130
Chile (Santiago).....	119	183	205	Norway.....	100	127	135
Denmark.....	101	121	124	Peru (Lima).....	115	146	156
Finland.....	102	152	155	Sweden.....	102	126	130
France (cost of food in Paris)....	100	143	145	Switzerland.....	99	105	105
Iceland (Reykjavik).....	102	165	177	Union of South Africa.....	104	121	129
India.....	101	109	104	United Kingdom.....	103	120	128
Mexico (Mexico City).....	105	136	147	United States.....	99	110	111

Section 3.—Index Numbers of Security Prices

Security prices have long been utilized in statistical measurements related to economic phenomena and are generally sensitive to changing business conditions although this valuable characteristic is sometimes overshadowed by the fact that their movements may be influenced greatly by speculative interest very remotely associated with underlying economic conditions. Thus, in 1928 and 1929 common-stock prices advanced far beyond levels indicated by business profits and prospects. Security-price trends also have been at variance with other business indexes during World Wars I and II.

Common Stocks.—Common-stock prices were firmer in the final quarter of 1952 but the trend was reversed in the opening months of 1953. Changes in security price levels in 1953 reflected, in part, prospects for peace in Korea together with a less tense international situation. From a 1952 low point of 163.6 for October, the investors composite index advanced to 172.3 by January 1953. Following relative steadiness in February and March, the index dropped sharply in April to touch 160.8. Continued steadiness was maintained at this level until September and October when a further sharp drop to 152.9 and 151.9, respectively, occurred.