

PRICES.

The following comparison of prices at the beginning and end of the financial year, which is based on statistics published by the Government Statistician, shows a more pronounced upward movement generally, and particularly so in the export index, than was the case the previous year.

(Base 1909-13 = 1000.)

Index.	March, 1936.	March, 1937.	Percentage Increase.	Highest and Lowest Point reached during Period.	
A. Wholesale—				Highest.	Lowest.
Imported items	1321	1383	5·33	1383	1319
Locally produced items ..	1441	1548	6·98	1553	1441
Combined wholesale index ..	1386	1472	6·2	1472	1386
B. Export prices	1204	1351	12·21	1388	1193
C. Retail prices	1429	1538	7·55	1538	1429

The rise in the export index is, of course, mainly attributable to the higher prices realized for wool.

BUSINESS AND TRADE.

The following statistics, compiled by the Government Statistician, indicate that the improvement in business and trade generally, to which reference was made in the Bank's annual report for the previous year, has continued with increased force.

	Year ended 31st March, 1936.	Year ended 31st March, 1937.	Percentage Increase 1936 as compared with 1935.	Percentage Increase 1937 as compared with 1936.
	(000 omitted.)			
Exports (excluding specie)	£(N.Z.) 49,676	£(N.Z.) 60,235	10·6	21·3
Imports (excluding specie)	£(N.Z.) 37,440	£(N.Z.) 47,621	15·0	27·2
Sales tax	£(N.Z.) 2,468	£(N.Z.) 3,051	13·7	23·6
Bank debits (excluding Government)	£(N.Z.) 712,809	£(N.Z.) 874,020	7·1	22·6
Building permits (main towns) ..	£(N.Z.) 4,988	£(N.Z.) 5,433	61·3	8·9
Railways—				
Revenue	£(N.Z.) 6,244	£(N.Z.) 6,904	5·7	10·6
Number of passengers	20,359	21,235	3·6	4·3
Freight tonnage	6,189	6,814	2·7	10·1
Coastal shipping tonnage	1,618	1,899	5·3	17·4
Number of motor-vehicles (licensed) ..	228	256	9·0	12·3

Though doubtless a rise in prices has to some extent accounted for those of the above increases which are expressed in terms of money, the figures nevertheless indicate a material expansion in the actual volume of transactions.

STAFF.

The Board would like to express appreciation of the high quality of the services rendered by the staff generally during the past year.

For and on behalf of the Board of Directors—

L. LEFEAUX, Governor.
W. L. WARD, Deputy Governor.

25th June, 1937.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH, 1937.

General charges, including salaries, rent, cost of note-issue, and other expenses	£	s.	d.	Balance of profit after making provision for rebate on Treasury bills not yet due, and for sundry liabilities and contingencies	£	s.	d.
Staff Superannuation and Provident Fund	81,775	4	7		238,917	18	1
Balance, being profit for year	10,000	0	0				
	147,142	13	6				
	£238,917	18	1		£238,917	18	1