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SYSTEM OF NATIONAL ACCOUNTS

QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

FIRST QUARTER

1970

Includes changes in the presentation of tables — for note see page 2.

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The basic historical record of the Canadian quarterly Balance of Payments with all countries (including bilateral transactions) may be obtained from the following publications.

Catalogue Number	Title	Price per copy
67-505	"The Canadian Balance of International Payments - A Compendium of Statistics from 1946 to 1965", for 1946 to 1964	$2.50
67-201	"The Canadian Balance of International Payments 1963, 1964 and 1965 and International Investment Position", for more detailed information	1.50
67-001	"Quarterly Estimates of the Canadian Balance of International Payments, Second Quarter 1967" revised 1965	.50
67-001	"Quarterly Estimates of the Canadian Balance of International Payments, Second Quarter 1969" for revised bilateral data for 1966 and 1967 and for revised global data for 1968	.50

Additional subsidiary detail published regularly may be traced through the successive quarterly reports.

Note: This edition contains some rearrangement of the tables previously presented. Several statements which were formerly included with the textual comment have now been grouped in the main tabular body of the report. Some modifications in terminology have been introduced, allowance has been made for the allocation and transactions in SDR's and items have in some instances been regrouped to provide more readily recognizable links with the GNP accounts. A separate table is presented showing the adjustments made to Trade of Canada figures to arrive at exports and imports on a balance of payments basis.

The Queen's Printer, Ottawa

THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

FIRST QUARTER 1970

During the first quarter of 1970 the exceptional strength in the Canadian merchandise trade account, combined with continued heavy long-term capital inflows contributed to upward pressures on the Canadian dollar and a buildup of official monetary reserves of $527 million. In part this increase was due to the first allocations of Special Drawing Rights on January 1, Canada's initial allocation amounting to $133 million, expressed in Canadian dollars, made in accordance with Resolution 24-12 of the Board of Governors of the International Monetary Fund. However, the unprecedented surplus on merchandise trade of $622 million and the peak level of capital inflows in long-term forms of $657 million were more important factors in the reserve accumulation. The increase beyond previous high levels was partly due to the net sales, mainly to the United States, of foreign securities — the quarterly inflow of $117 million was the highest recorded quarterly inflow and was piled on top of an inflow of $520 million due to new issues of Canadian securities.

Summary Statement

	1968	1969	1969				1970
			I Q	II Q	III Q	IV Q	I Q
	millions of dollars						
Merchandise trade balance	+ 1,376	+ 868	+ 239	+ 99	+ 241	+ 289	+ 622
Balance on non-merchandise transactions	- 1,436	- 1,590	- 497	- 410	- 208	- 475	- 572
Current account balance	- 60	- 722	- 258	- 311	+ 33	- 186	+ 50
Capital movements in long-term forms ..	+ 1,590	+ 2,162	+ 543	+ 483	+ 624	+ 512	+ 642
Capital movements in short-term forms	- 1,181	- 1,375	- 323	- 226	- 662	- 164	- 298
Net capital movement(1)	+ 409	+ 787	+ 220	+ 257	- 38	+ 348	+ 344
Allocation of Special Drawing Rights ..	...	...	...	...	...	...	+ 133
Change in net official monetary assets	+ 349	+ 65	- 38	- 54	- 5	+ 162	+ 527

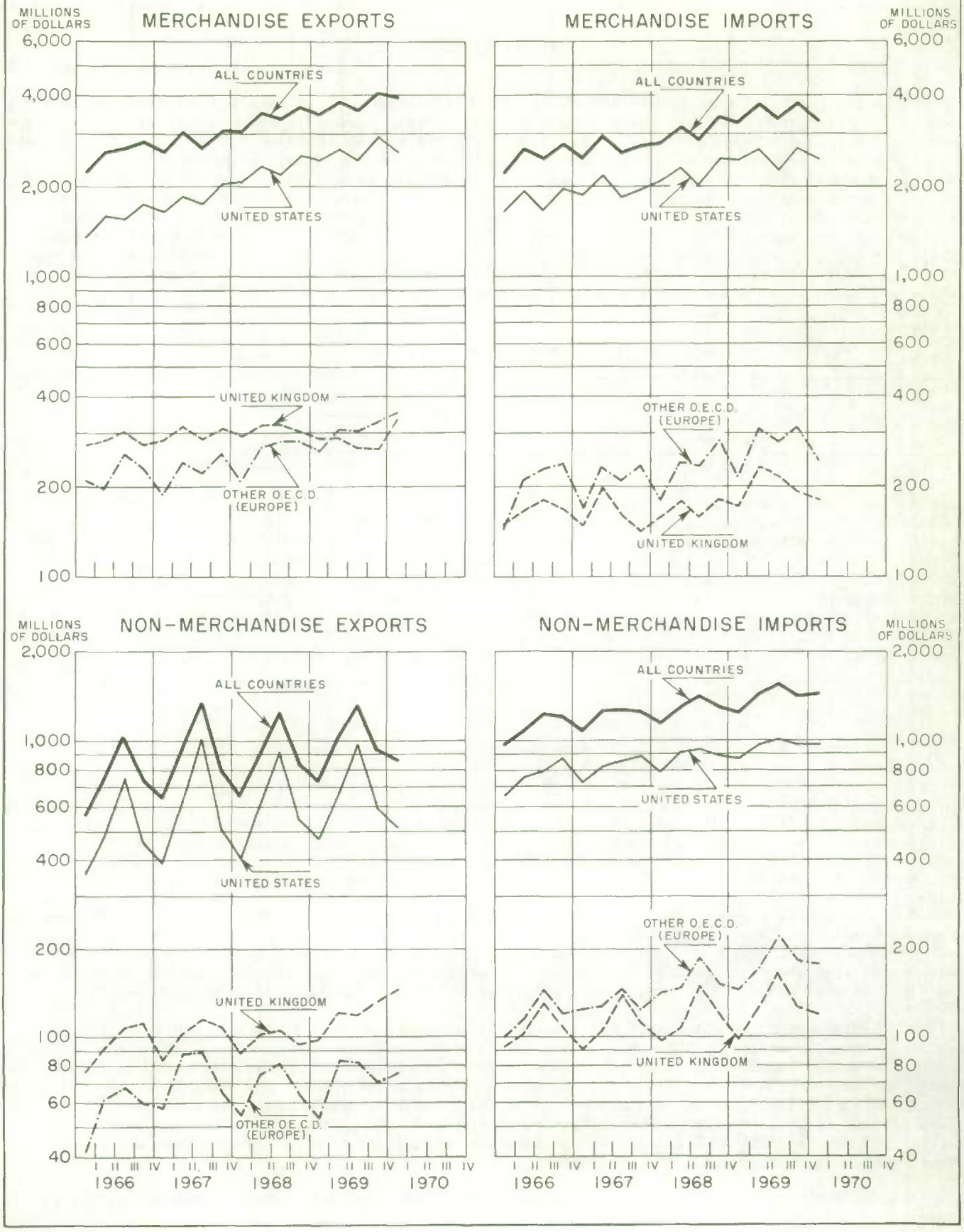
(1) Excluding items shown below.
... Not applicable.

The events of the first quarter were unusual to the extent that the current account balance and capital account flows combined to produce a basic balance (current account plus long-term capital movements) of $707 million. In the third quarter of 1969 when the basic balance inflow was of a similar magnitude, $657 million, the level of residents' holdings of foreign bank balances and other short-term funds abroad rose dramatically with the pull of high interest rates abroad and only small changes in official financing were required. Among special factors influencing movements in the first quarter were the rebound in exports from the strike-affected levels of the previous quarters, accounting in part for the increase in exports to the United States even though a slowdown in economic activity was evident in that country. The strength in foreign demand for Canadian exports also reflected the rapid growth of relatively new markets in Japan and the growing demand from Europe. The increase in Gross National Product in Canada in the first quarter of 1970 of 2 1/2 per cent was largely due to foreign demand and by itself does not reveal the underlying slowdown in domestic demand. If exports had remained stable in the first quarter the GNP would have shown only a 0.2 per cent increase in value and a decline in real terms. This fact partly explains the lack of strength in demand for imports.

The long-term capital market was affected by the continuation of a relatively more rigorous anti-inflationary posture by the Canadian Government with resultant higher interest rates at the long end of the market compared to the United States — making investment in Canada attractive to United States residents. The decline in United States stock markets was sharper than in Canada, and net sales of foreign securities occurred on a significant scale. Finally, during the first quarter a fairly sharp decline occured in money market rates, particularly in the Euro-dollar market and part of the overhang of several billions of dollars of residents' holdings of foreign bank balances and other short-term funds held abroad was repatriated.

Subsequent to the first quarter, economic indicators suggested a continuation of the trends experienced earlier. The trade surplus in April remained extraordinarily high by historical standards,

CURRENT ACCOUNT TRANSACTIONS



while official monetary reserves rose by US $487 million in April and May to reach US $4,084 million at the end of May. With the evidence suggesting that more reserves would be accumulated in the ensuing period the Minister of Finance announced on May 31 that the Canadian dollar would be allowed to float and to achieve a more appropriate level.

Merchandise Trade

In the first quarter of 1970 Canadian merchandise exports, mainly because of a marked improvement in sales to overseas markets, jumped by about 13 per cent over the same period in 1969 to $3,936 million. Merchandise imports, on the other hand, rose at a much slower rate increasing by about 2.5 per cent to $3,314 million. This resulted in the emergence of an unprecedented merchandise surplus of $622 million, equivalent to about 72 per cent of the trade surplus for the whole of 1969. Although towards the end of the quarter there appeared an easing in the rate of increase of exports and some acceleration in import demand, an upsurge in the trade surplus reappeared in April. While some of the increase in exports could be attributed to sales of metals postponed from the second half of 1969 due to strikes in a number of key industries, such an effect tended to be mitigated by controls on exports of all forms of copper and nickel introduced early in the year to prevent abnormal flows to higher priced markets outside Canada. Foreign demand was strong for a number of crude and fabricated materials namely petroleum and natural gas, iron ore, copper, aluminum, newsprint paper and woodpulp. Moreover, despite some easing in the North American automobile market, exports of motor vehicles, engines and parts increased by about 10 per cent.

Generally speaking the small rise in imports was broadly based, the largest increases occurring in metal ores and alloys, fabricated iron and steel products and machinery. Imports of motor vehicles, engines and parts, partly as a result of a relative concentration in Canadian production facilities of cheaper but more popular models and partly due to reduced consumption expenditure on durables, declined by about 10 per cent.

The usual adjustments for balance of payments purposes to recorded merchandise trade data consisted of net reductions of $3 million from exports principally for the timing of wheat deliveries and of $17 million from imports, mainly on account of aricraft deliveries for which progress payments had been made in the past and automotive special tooling charges. The adjustment formerly made to reflect automobile interplant selling prices is no longer required as the basic Trade of Canada series since January 1970 values these commodities on this basis. The total adjustments made for balance of payments purposes have increased the recorded trade balance by about $14 million.

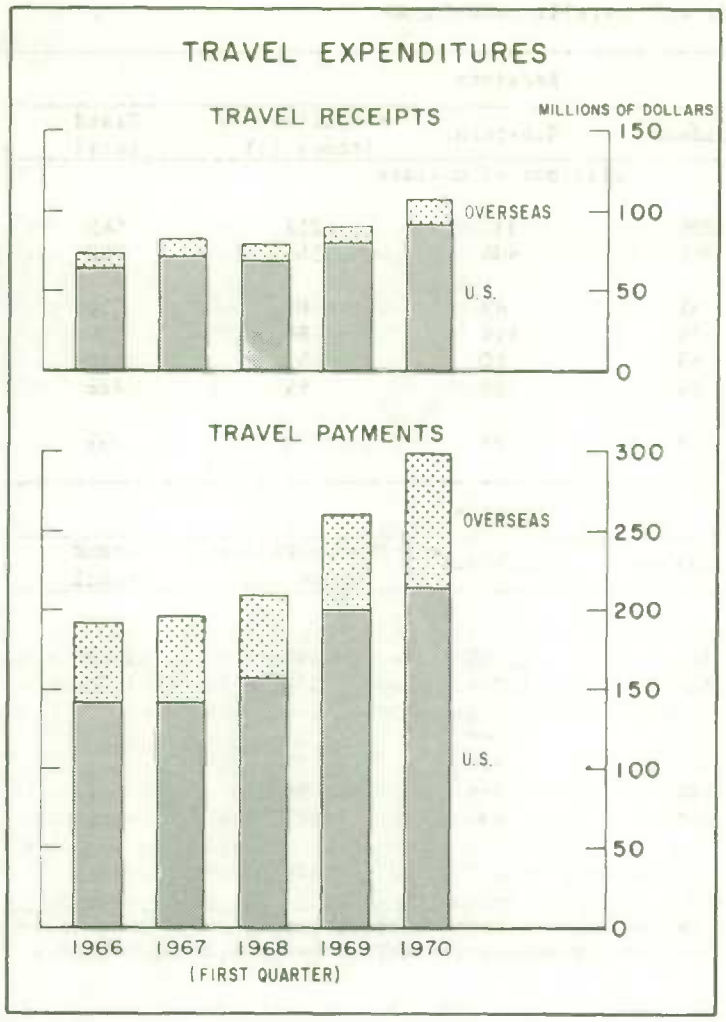
Average export prices in the first quarter of 1970 rose by almost 5 per cent over the first quarter 1969. On a component basis, excluding the small live animals group, higher than average increases occurred in the crude and fabricated materials groups. Average import prices increased by about 3 1/2 per cent, over the first quarter of 1969. In contrast to exports, import prices for the crude materials group generally remained at the same level as in 1969. Except for the food group the largest increase was in fabricated materials. Import prices of end products increased by about 3 per cent.

Non-merchandise Transactions

With the introduction in this quarterly publication of a new presentation of non-merchandise transactions with services and transfers grouped separately, there has been a restructuring of some of the non-merchandise items. Personal and institutional remittances and official contributions have been removed from the "all other current transactions" item and have been show separately under transfers with the remaining "all other current transactions" being designated as "other service transactions". Inheritances and migrants' funds have also been classified to transfers. Pensions, included previously in the government component of "all other current transactions", are also treated as transfers and have been transferred to the personal and institutional remittances item.

In the first quarter of 1970 the deficit on non-merchandise transactions went up by 15 per cent over the first quarter 1969 to $572 million as an 18 per cent rise in receipts to $863 million, was, in absolute terms, well below the 17 per cent increase in payments, which rose to $1,435 million.

On the receipts side the item "other service receipts" accounted for over half the total rise in non-merchandise receipts with the remainder spread broadly in travel, interest and dividends and freight and shipping. The rise in total payments was on the other hand largely due to increases in the items "other service payments" and interest and dividends which together accounted for about three quarters of the total increase.



The deficit on the travel account which this year included the effect of the Easter holidays continued to grow rising by about 13 per cent over last year's first quarter deficit to $192 million. Practically all the increase in the deficit arose from travel transactions with overseas countries, mainly Europe and the Caribbean region. Over the year the number of visits to and from the United States both increased at about the same rate of 8 per cent while the number of Canadian visits overseas increased by around 45 per cent as against an increase of about 34 per cent in the number of overseas visits to Canada. As a result the ratio of the deficit with the United States to total travel deficit fell by 7 percentage points.

The net balance from receipts and payments of interest and dividends rose by about 29 per cent and moved from a deficit of $226 million in the first quarter of 1969 to $291 million in the same quarter of 1970. This net increase of $65 million was accounted for by a rise of $80 million in payments of interest and dividends to $389 million, which was to a small extent offset by higher income receipts. Increased profits of unincorporated branches together with a rise in payments by Canadian subsidiaries to parent companies in the United States were the main factors responsible for an increase of $45 million in dividend payments. Interest payments recorded an increase of $35 million resulting both from large sales of new Canadian bond issues in the United States and Europe and higher interest rates in 1969. Total receipts of interest and dividends rose by $15 million to $98 million reflecting increases in both dividend receipts and interest receipts of $7 million and $8 million respectively. Larger payments by foreign subsidiaries to Canadian parent companies were responsible for increased dividend receipts while the rise in interest receipts was mainly accounted for by larger earnings on official holdings of foreign exchange. The net balance from receipts and payments of interest and dividends accounted for about half of the deficit on non-merchandise transactions or 8 percentage points higher than the corresponding proportion for the first quarter of 1969.

The items for interest and dividends do not include "miscellaneous income" which is a part of other service receipts and payments in the main balance of payments tables. This income includes the return on foreign investments in Canadian securities held, through financial intermediaries, and on mortgages, real estate and other investments included in Canada's International Investment Position in the category Miscellaneous Investments. Also included are revenues from management services and from investments associated with the international operations of banks and insurance companies and interest paid on inter-company borrowings other than funded debt. Since substantial elements of these items have originated either as interest or dividends, they are shown in the following statement. For more detailed information on the income account and miscellaneous current transactions, readers are referred to the "Canadian Balance of International Payments 1961 and 1962 and International Investment Position", pp. 18-19 and 30-31.

Freight and shipping transactions, linked as they are with the pattern of merchandise trade, showed an increase of about 10 per cent in receipts and about 3 per cent in payments, changing a 1969 first quarter deficit of $6 million into a surplus of $8 million. This is the first time since the first quarter of 1958 that a surplus has arisen on this account.

Interest and Dividends and Miscellaneous Income

Period	Receipts				
	Interest	Dividends	Sub-total	Miscellaneous income (1)	Grand total
	millions of dollars				
1968	102	229	331	252	583
1969	164	242	406	364	700
1969 I Q	32	51	83	87	170
II Q	36	78	114	86	200
III Q	31	49	80	92	172
IV Q	65	64	129	99	228
1970 I Q	40	58	98	145	243
	Payments				
	Interest	Dividends	Sub-total	Miscellaneous income (1)	Grand total
1968	548	742	1,290	342	1,632
1969	650	714	1,364	390	1,754
1969 I Q	142	167	309	92	401
II Q	174	146	320	99	419
III Q	151	148	299	96	395
IV Q	183	253	436	103	539
1970 I Q	177	212	389	121	510

(1) In the main balance of payments tables, this is included in other service receipts and other service payments; it includes in addition to investment income, all services associated with international banking and insurance operations.

The deficit on "other service transactions" was reduced by 5 per cent to $106 million. Total receipts rose by about 31 per cent to $315 million while total payments went up by about 20 per cent to $421 million. The largest change occurred in miscellaneous income on which a deficit of $5 million swung into a surplus of about $24 million. This was due principally to higher banking revenues in the United States and United Kingdom and to higher earnings on private residents' balances of foreign exchange resulting from increased holdings and higher interest rates.

Net transfer payments which rose to $16 million were largely unchanged from the deficit of $14 million in the corresponding quarter of 1969. The surplus on migrants' transfers and inheritances nearly doubled to $34 million. There was practically no change in the overall numbers of immigrants coming to Canada from the first quarter last year, but there were increases in amounts brought in by immigrants from nearly all regions. Further strengthening the balance on this account was a fall in the number of emigrants which led to a reduction of some 14 per cent in the transfers from Canada. The surplus on this account was the highest first quarter balance recorded in recent years.

Official contributions in the first quarter of 1970 almost doubled from $16 million in the corresponding quarter of 1969 to $30 million. More than one third of this amount was disbursed under the international food aid program; expenditures in the form of technical, economic, and educational assistance represented about one half. Due to an increase of $5 million in personal and institutional remittance payments there was a widening of the deficit on this account to $20 million from $16 million.

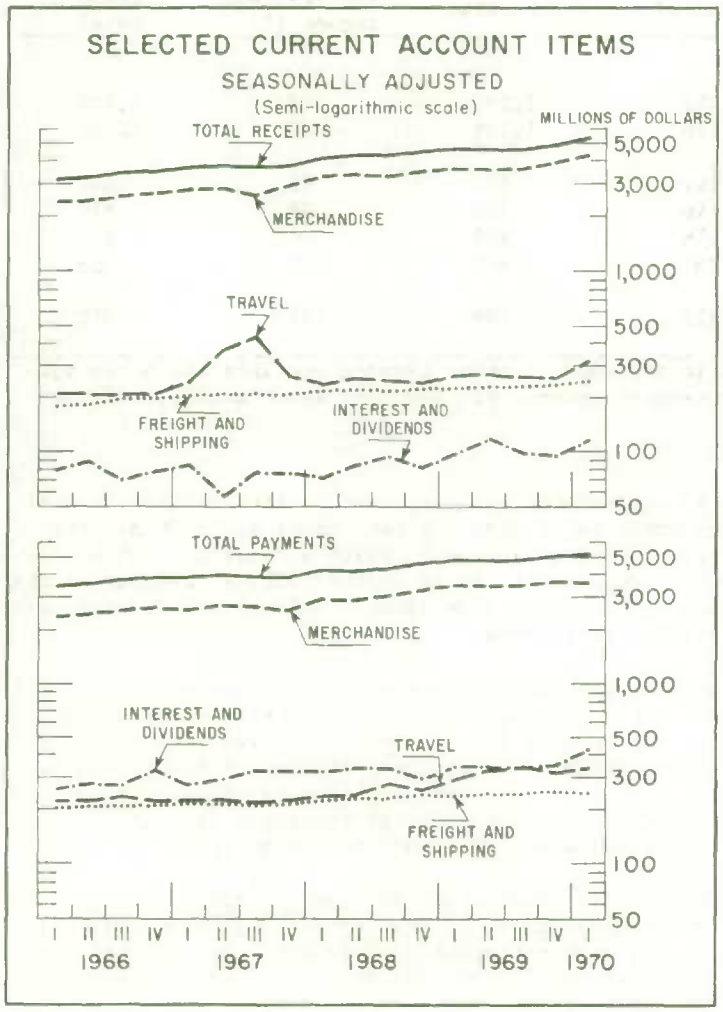
Current Account Transactions in the First Quarter — Seasonally Adjusted

In the first quarter of 1970, the current account balance, seasonally adjusted at quarterly rates, moved from a deficit of $114 million in the fourth quarter of 1969 to a surplus of $280 million. This improvement in the current account balance was attributable entirely to a 150 per cent increase in

the merchandise trade balance to $698 million — the highest quarterly seasonally adjusted trade surplus ever recorded. While imports declined 2 per cent to $3,565 million from the fourth quarter of 1969 there was an increase in exports of 9 per cent in the first quarter of 1970, continuing the upsurge in exports which started in the second half of 1969. The non-merchandise deficit, consisting of payment balances of $409 million on the service transactions and $9 million on transfers, rose from the previous quarter by 6 per cent.

Total current receipts, after adjustment for seasonal variations, increased by over 9 per cent to $5,404 million while total current payments increased marginally to $5,124 million. There were some dramatic changes in the service transactions in the first quarter of 1970 over the previous quarter. Sizeable increases of over 19 per cent in travel receipts and of 7 per cent in travel payments resulted in a smaller deficit on travel.

Partly as a result of a large irregular dividend payment during the first quarter, interest and dividend payments increased by 23 per cent to $423 million; notwithstanding an almost equally large relative increase in the receipts which rose to $115 million there was a rise of $60 million in the deficit on interest and dividends to $308 million. For the first time in recent years there was a small surplus of $2 million on freight and shipping, produced by an increase of 4 per cent in receipts and a decline of 2 per cent in payments.



A small reduction in the deficit on service transactions resulted from an improvement of about 12 per cent in "other service receipts", which was only partially offset by an increase of 7 per cent on the payments side. The balance on transfers reversed from a surplus of $2 million in the fourth quarter to a deficit of $9 million due mainly to a rise of $14 million in payments.

Seasonally adjusted at annual rates, the current account surplus amounted to $1,120 million, as against the 1969 current account deficit of $722 million. Also at annual rates, merchandise exports advanced to $17,052 million and merchandise imports to $14,260 million. The seasonally adjusted non-merchandise transactions deficit, taken at annual rates, rose to $1,672 million. In the first quarter of 1970 the ratio of exports to gross national expenditures at market prices, seasonally adjusted at annual rates, rose to about 21 per cent, which is the highest ratio in the last five quarters.

Transactions by Areas

With the United States, in the first quarter of 1970, the over-the-year rate of growth in the merchandise trade surplus was even more marked than the relatively high growth rate in the overall trade surplus. Thus, with exports rising by 7 per cent to $2,637 million and imports remaining nearly unchanged at $2,461 million, the surplus rose by $170 million to $176 million. The improvement in the balance on merchandise trade more than offset the increase in the deficit on non-merchandise transactions, which rose by 15 per cent to $451 million, and led to a reduction of about 30 per cent in the current account deficit with the United States which fell

to $275 million. Increases in merchandise exports were concentrated in the crude materials group and in end products, mainly petroleum and automobiles. The decline in residential construction in the United States reduced the demand for lumber exports. On non-merchandise, a relatively sharp increase of $64 million in the deficit on interest and dividends was partly offset by a relatively significant improvement in the net flow on migrants' funds and inheritances (a deficit of $10 million giving way to a surplus of $2 million). Other non-merchandise transactions, mainly miscellaneous income and business services, produced a further net deterioration of about $8 million in the balance on invisibles.

With the United Kingdom, total current account receipts rose to $480 million and total payments went up to $299 million producing a surplus of $181 million, up 57 per cent from the first quarter last year. More or less in line with the general pattern of merchandise trade with non-United States markets merchandise exports rose by 16 per cent to $335 million and merchandise imports increased by about 5 per cent to $181 million. The sharp rise in exports to the United Kingdom partly due to an improved economic climate in that country, reflected also a rebuilding of United Kingdom inventories of certain Canadian commodities following the disruption of supply caused by strikes in Canadian industry last year. There was in addition a significant improvement on non-merchandise transactions where last year's small deficit was changed into a surplus of $27 million. The improvement came from a relatively large increase in the surplus on miscellaneous income which went up by $40 million. Partly offsetting the large increase in the surplus on this item and smaller ones on freight and shipping and business services, there was a deterioration in the balance on government transactions, interest and dividends and travel amounting in all to $13 million.

With the Rest of the Sterling Area, the current account balance almost doubled to $68 million due to a larger trade balance which went up to $73 million. Total receipts, three quarters of which came from merchandise exports, rose to $236 million, and total payments, two thirds of which were merchandise imports, increased to $168 million. There were increases in exports to Pakistan, Australia, Jamaica and a decrease to India mainly on account of reduced wheat shipments. A rise in imports of meat and metals from Australia contributed to an important increase in Australian imports which nearly doubled to $24 million.

With the OECD (Europe) group of countries, the current account balance in the first quarter of 1970 moved from a deficit of $42 million to a surplus of $14 million. This increase arose from an improvement of over 100 per cent in the trade balance which rose to $113 million and a small increase in the non-merchandise deficit which increased to $99 million. The strength of exports to this group of countries derived from the relatively high level of economic activity in Europe besides possibly reflecting some of the effects of the revaluation of the Deutschemark which took place last year. Increased exports of copper, nickel and aluminum to West Germany largely contributed to a spurt of over 36 per cent to about $77 million in exports to that country. Relatively substantial increases also occurred in exports to France, Italy, Netherlands, Norway, Spain and Sweden. There were smaller increases in imports from West Germany, Italy and Netherlands and a decline in imports from France and Sweden.

With Other Countries total current receipts increased to $505 million and total current payments went up to $443 million. The current account balance with this group of countries rose as a result from $8 million in the first quarter 1969 to $62 million this year. Exports which grew by 37 per cent to $432 million were again mainly responsible for this improvement. The rate of growth of merchandise imports, which increased to $326 million was less than on third of the exports growth rate. Exports to Japan, Peru, Venezuela, Mexico and Puerto Rico increased. Shipments of wheat to the U.S.S.R. were up by about $16 million but exports of aircraft to Brazil went down. Increases in imports from Japan and Colombia were partly offset by reductions in imports from China, Venezuela and Mexico. The deficit on non-merchandise transactions increased by $32 million mainly on account of higher official contributions (which in 1970 were three times as large as a year earlier) and miscellaneous income payments.

Total current and capital account receipts by Canada from transactions in the United Kingdom and other overseas countries totalled $265 million. An exceptionally strong current account balance produced a surplus of $325 million while net capital inflows in long-term forms amounted to $66 million. Short-term capital movements led to a net outflow of $126 million.

The $269 million total of the net receipts from the United States and overseas countries together with the gold production available for export of $25 million and the $133 million for the allocation of Special Drawing Rights resulted in a $527 million increase in net official monetary assets.

If the credit representing new gold production available for export is excluded, Canada's current account deficit with the United States in the first quarter of 1970 was $300 million. Capital

flows between the two countries produced a net influx of $404 million as long-term movements led to a net inflow of $576 million while capital movements in short-term forms produced a net outflow of $172 million. In sum these transactions with the United States gave rise to net receipts by Canada of $104 million.

Capital Movements

The net movement of capital between Canada and other countries in the first quarter gave rise to an inflow of $344 million, or about the same amount as in the fourth quarter of 1969. Reflected in this figure was a higher inflow of capital in long-term forms (up $130 million to $642 million) as well as an increased outflow of short-term capital of $298 million or almost double the fourth quarter's level. A sharp improvement in the current account balance resulted in a surplus of $50 million and in addition, in January Canada received its allocation of $133 million of Special Drawing Rights from the International Monetary Fund. On balance, therefore, a substantial $527 million was added to Canada's net official monetary assets during the quarter.

Sales of Canadian new issues to non-residents, at $520 million, were again the major factor contributing to the net inflow of long-term capital during the quarter. Transactions in outstanding securities gave rise to a large net inflow of $118 million resulting almost entirely from net sales of United States equities. Inflows for direct investment in Canadian concerns totalled $165 million, or slightly above the fourth quarter level, but these were largely offset by increased outflows of $110 million for direct investment abroad. Retirements of foreign held Canadian securities declined to $86 million. The effect of adjusting actual long-term capital inflows to reflect the timing of security offerings is given in the accompanying statement which shows that deliveries were in excess of offerings by $13 million during the quarter. However, the balance of offerings undelivered at the end of the quarter remained high at $771 million.

Capital Movements in Long-term Forms

Period	Actual inflow	Adjusted to reflect timing of security offerings
	millions of dollars	
1968	+ 1,590	+ 2,142
1969	+ 2,162	+ 2,020
1969 I Q	+ 543	+ 565
II Q	+ 483	+ 483
III Q	+ 624	+ 477
IV Q	+ 512	+ 495
1970 I Q	+ 642	+ 629

The net outflow of $298 million arising from capital movements in short-term forms in the first quarter compared with a $164 million outflow in the fourth quarter of 1969. The more prominent transactions were net outflows of $467 million in the "other short-term capital transactions" category which was partly offset by an inflow of $241 million resulting from a decrease in residents' holdings of foreign bank balances and other short-term funds abroad.

The net spot holdings of foreign currency claims (excluding gold) on non-residents of the Canadian chartered banks fell on a transactions basis by $222 million in the quarter while those with Canadians rose by $72 million to produce an overall decrease of $150 million.

Claims on residents of the United States fell by $362 million while claims on residents of overseas countries rose by $294 million. Liabilities to these areas decreased by $61 million and increased by $215 million respectively. Foreign currency claims on Cnadians were increased by $73 million while liabilities rose by only $1 million. Thus the net decrease of $150 million in the Canadian banks' foreign currency assets reflected a reduction in net assets of $301 million with residents of the United States and increases of $79 million and $72 million with residents of overseas countries and Canada, respectively. These figures cannot be identified separately in the balance of payments presentation in this report but form elements of several of the items.

Direct Investment

Transactions affecting long-term investment in Canadian subsidiaries and affiliates of foreign companies in the first quarter of 1970 resulted in a net capital inflow of $165 million - about the same level as in the final quarter of 1969 but $35 million higher than in the corresponding quarter of that year. About three quarters of the flow originated in the United States while the bulk of the remainder came from continental Europe. Particularly prominent was an investment by a Swedish concern in the mining industry which represented about half the flow from overseas countries. Takeovers of existing

assets and reclassifications accounted for about a fifth of the total inflow. The mining industry received the largest share of the net inflow although the petroleum and manufacturing industries also received significant amounts.

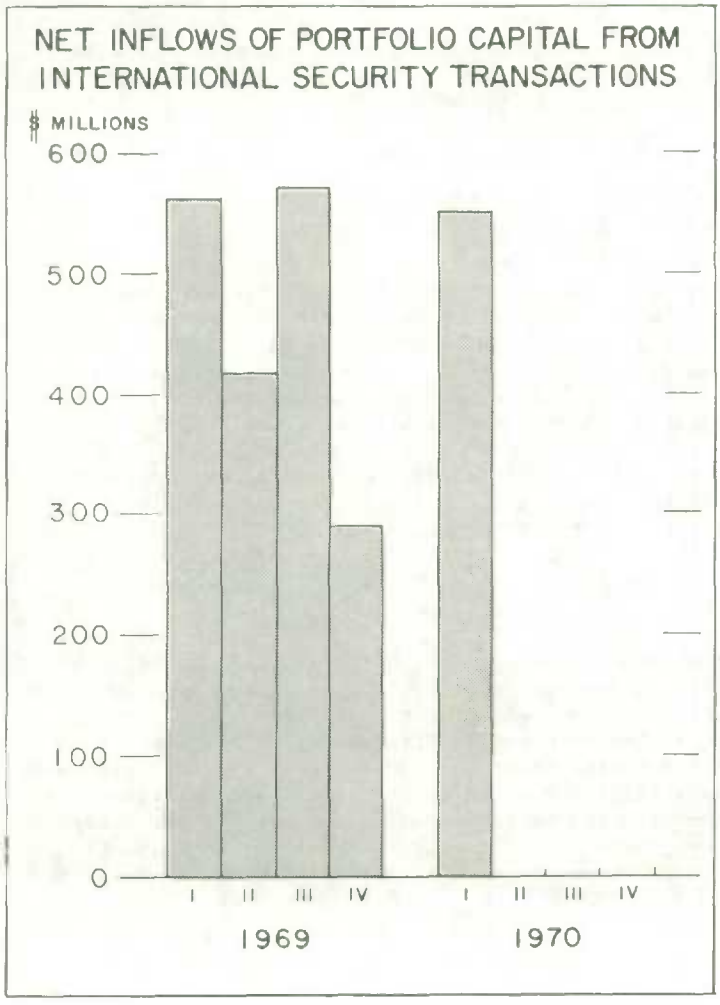
Direct investment abroad by Canadians during the quarter under review led to an exceptionally large net outflow of $110 million. Almost three quarters of the flow was destined for the United States and most of the balance to overseas countries other than the United Kingdom. The manufacturing industries in Canada notably the non-ferrous industry contributed almost two thirds of the net outflow.

Security Transactions

New Issues of Canadian Bonds Sold to United States Residents

Period	Offerings	Deliveries	Undelivered(1)
	millions of dollars		
1968	1,907	1,355	926
1969	1,180	1,322	784
1969 I Q	392	370	948
II Q	296	296	948
III Q	256	403	801
IV Q	236	253	784
1970 I Q	406	419	771

(1) At end of period.



At $551 million the first quarter inflow from international portfolio security transactions was sharply higher than the $289 million net inflow recorded for the fourth quarter of 1969. Net inflows of $460 million, $27 million and $67 million came from the United States, United Kingdom and continental European countries respectively, and an outflow of $3 million took place in transactions with residents of all other countries. Sales abroad of new Canadian issues recovered in the first quarter to $520 million, up from $335 million in the fourth quarter of 1969 but were still substantially less than the figure of $637 million for the first quarter of 1969. Provincial government issues both direct and guaranteed, at $255 million, again represented the bulk of new sales, but sales of corporate and municipal bonds were also significantly higher at $190 million and $50 million, respectively. Borrowing abroad as a proportion of gross new Canadian issues fell to less than 30 per cent from almost 40 per cent in the first quarter of 1969. Sales in continental Europe of $60 million in the first quarter, or approximately 12 per cent of total foreign borrowing by Canadians, compared with sales in the first quarter of 1969 of $193 million, some 30 per cent of total borrowing abroad. Conversely, inflows of $442 million from the United States were slightly more than the $434 million recorded for the same period in 1969 despite the decline in total new issues abroad in the first quarter.

On a proportional basis the inflows from the United States represented approximately 85 per cent of total borrowing abroad compared with 68 per cent in 1969. Inflows from the United Kingdom, at $18 million were $10 million higher than in the first quarter of 1969. A sizeable net inflow in March from transactions in outstanding Canadian securities reversed a series of outflows dating back to November 1969, and led on balance to no net movement of funds in the first quarter. Retirements of Canadian bonds and debentures held abroad were slightly higher than a year earlier in all sectors except corporate giving rise to outflows of approximately $86 million compared with $70 million in the first quarter of 1969.

An unusually large net inflow of $118 million from trading in outstanding foreign securities during the first quarter was the largest quarterly inflow on record, and exceeded the net inflow from outstanding security transactions for the whole of 1969. The inflow in the current period was due almost exclusively to net sales of United States equities, amounting to some $116 million. New issues of foreign securities sold in Canada and retirements of foreign securities held by Canadians gave rise to small capital movements of $3 million and $2 million respectively, compared with new issues of $6 million and retirements of $3 million in the fourth quarter of 1969.

Other Capital Flows in Long-term Forms

Disbursements by the Canadian Government under intergovernmental loan programs totalled over $20 million in the first quarter of 1970 - all under the development loan program. Geographically almost all of the disbursements went to Asia. In addition Canada subscribed over $2 million to international development agencies and became a member of the Bank for International Settlements by subscribing almost $3 million for shares of BIS capital stock. In contrast to the previous quarter when Canada received the regular $20 million from the United Kingdom on the 1946 loan there were no repayments during the first quarter of principal on earlier loans.

Export Credits(1) Extended Directly or Indirectly at Risk of the Government of Canada

Year and quarter	Wheat			Other commodities			Total
	Advances	Repayments	Net	Advances	Repayments	Net	
	millions of dollars						
1968	- 143	+ 216	+ 73	- 89	+ 45	- 44	+ 29
1969	- 101	+ 119	+ 18	- 76	+ 49	- 27	- 9
1969 I Q	- 25	+ 20	- 5	- 20	+ 12	- 8	- 13
II Q	- 39	+ 15	- 24	- 17	+ 11	- 6	- 30
III Q	- 18	+ 32	+ 14	- 22	+ 15	- 7	+ 7
IV Q	- 19	+ 52	+ 33	- 17	+ 11	- 6	+ 27
1970 I Q	- 29	+ 40	+ 11	- 17	+ 18	+ 1	+ 12

(1) Medium and long-term.

Transactions during the quarter arising from the financing of medium and long-term export credits extended from Canada directly or indirectly at the risk of the Government led to a net capital inflow of $12 million or $15 million less than the preceding quarterly amount of $27 million. This reduction was due both to increased advances by Canada and to declining repayments by recipient countries. Amounts outstanding on a disbursement basis totalled almost $500 million by the end of the first quarter which, however, excludes a large amount already committed but not disbursed.

The remaining capital movements in long-term forms, which include bank and other long-term loans, mortgage investments and movements of insurance funds, led to a net inflow of $49 million compared with a somewhat higher inflow of $64 million in the fourth quarter of 1969.

Capital Movements in Short-term Forms

Capital movements in short-term forms (apart from changes in net official monetary assets) led to a net capital outflow of $298 million in the first quarter of 1970 or $134 million more than in the previous quarter. Short-term yields both in Canada and abroad eased in the first quarter from the exceptionally high levels prevailing in December. Yields on Canadian treasury bills and representative finance company paper fell by 81 basis points and 123 basis points to 7.00 per cent and 7.74 per cent, respectively, while yields on United States treasury bills and three-month Euro-dollar deposits fell by 193 and 163 basis points to 6.45 per cent (on an adjusted basis) and 8.50 per cent respectively.

Interest rate differentials between Canadian and United States treasury bills widened from 57 basis points in favour of the United States at the end of 1969 to 55 basis points in favour of Canada at the end of the first quarter. The forward rate on the United States dollar moved from a discount of .06 per cent at the end of 1969 to a premium which fluctuated on a monthly average between a high of .28 per cent during February to a low of .08 per cent in March.

A decrease by Canadian residents of their holdings of foreign currency bank balances and other short-term funds abroad produced a net capital inflow of $241 million. A decline of about $220 million in the Canadian chartered banks foreign currency net spot position with non-residents was a significant factor in this movement. Canadian holdings of swapped deposits rose on balance in the quarter by about $63 million to $1,614 million after reaching a peak on January 21 of $1,728 million.

Non-resident holdings of Canadian dollar deposits rose by $30 million in the first quarter. Residents of the United Kingdom decreased their holdings by $23 million but this was more than offset by increases of $44 million, $7 million and $2 million in holdings by Western Hemisphere countries, other foreign countries, and international agencies, respectively. Government of Canada demand liabilities in the form of interest-free demand notes issued to international investment agencies declined by $2 million in the first quarter of 1970. Non-residents increased their holdings of Canadian treasury bills by $6 million to $113 million in the quarter. Increased holdings of $18 million by private non-residents, especially those from the European Economic Community, were partially offset by a reduction in holdings of foreign official institutions.

Transactions in finance company paper, mostly with United States residents, accounted for $78 million of the total net outflow. This was the largest quarterly movement from transactions in finance company paper since the first quarter of 1969, even though gross trading was considerably lower than at any time since then. Other finance company obligations (including borrowings from foreign banks and inter-company accounts) resulted in a net outflow, $34 million, for the first time since the third quarter of 1968. Finance company transactions included with capital movements in long-term forms were not significant during this quarter. Although giving rise to a net inflow of capital of only $7 million, transactions in commercial paper increased sharply from the fourth quarter level, due mainly to trading with residents of the United Kingdom. Sales and re-purchases with the United Kingdom largely comprised temporary transfers, so-called "week-end money", and contributed to the largest turnover on record in this class of security. Dealings in other short-term paper (comprising mainly notes of banks, mortgage loan companies, and municipal and provincial governments) led to a net outflow of $1 million.

All other transactions led to a net capital outflow of $467 million. Among identifiable items the bulk of the net capital outflow reflected changes in intercompany accounts. On balance Canadian companies made substantial repayments on accounts owing abroad and at the same time extended additional credit to their foreign affiliates. About half of the overall net outflow represented amounts which have not yet been identified.

Official International Monetary Assets and Liabilities

Canada's net official monetary assets increased by a substantial US $492.million during the first quarter to US $3,597 million. Included in this increase was an amount equivalent to US $124 million, representing Canada's share of the US $3.5 billion of Special Drawing Rights which the International Monetary Fund allocated to participating member countries on January 1, 1970. Canada's subsequent transactions in Special Drawing Rights increased its total holdings to US $133 million by the end of the quarter.

Holdings of United States dollars and other convertible currencies increased by US $313 million and US $2 million to levels of US $2,057 million and US $14 million respectively. Monetary gold holdings increased by US $7 million to US $879 million largely as a result of International Monetary Fund gold sales to Canada.

Canada's reserve position with the International Monetary Fund totalled US $515 million at the end of March an increase of US $37 million for the quarter. Drawings by France and Fund use of Canadian dollars accounted for US $63.8 million in the period. Canada also augmented the Fund's Canadian dollar resources by making a loan under the General Arrangements to Borrow equivalent to US $24.5 million. Repayments in Canadian dollars by foreign countries for previous drawings amounted to US $18.1 million in the quarter.

The total of the above transactions provided for an overall increase in Canada's net official monetary assets in the first quarter expressed in Canadian dollars of $527 million.

The Canadian dollar showed strongly on the foreign exchange markets throughout the quarter. The spot rate for the Canadian dollar closed at 107.25 cents for US $1.00 a significant premium above the official parity of 108.108 cents (which was retained until the end of May 1970) and close to the upper support limit used in practice by the authorities under the fixed exchange rate system.

	United States Dollar in Canada				Pound Sterling in Canada			
Period	High	Low	Close	Noon average	High	Low	Close	Noon average
	Canadian cents				Canadian cents			
1968	109.00	107.25	107.28	107.75	262.63	255.25	255.82	257.94
1969	108.25	107.25	107.28	107.68	258.89	255.72	257.55	257.39
1969 I Q	107.84	107.25	107.66	107.46	258.05	255.72	257.82	256.83
II Q	108.16	107.50	108.09	107.76	258.62	256.32	258.52	257.53
III Q	108.25	107.66	107.91	107.90	258.89	256.38	257.17	257.54
IV Q	108.06	107.28	107.28	107.60	258.27	257.25	257.55	257.65
1970 I Q	107.38	107.25	107.25	107.28	258.42	257.26	258.11	257.86
January	107.34	107.25	107.25	107.28	257.80	257.26	257.67	257.53
February	107.38	107.25	107.28	107.31	258.42	257.69	258.25	258.04
March	107.34	107.25	107.25	107.27	258.39	257.88	258.11	258.08

THE SYSTEM OF NATIONAL ACCOUNTS

In Canada, the National Accounts have been developed since the close of the Second World War in a series of publications relating to their constituent parts. These have now reached a stage of evolution where they can be termed a "System of National Accounts". For purposes of identification, all publications (containing tables of statistics, descriptions of conceptual frameworks, and descriptions of sources and methods) which make up this System will now carry the term "System of National Accounts" as a general title.

The System of National Accounts in Canada consists of several parts. The annual and quarterly Income and Expenditure Accounts (included with Catalogue Nos. carrying the prefix 13) were, historically speaking, the first set of statistics to be referred to with the title "National Accounts" (National Accounts, Income and Expenditure). The Balance of International Payments data, (Catalogue Nos. with prefix 67), in their more summary form, are also part of the System of National Accounts and they, in fact, pre-date the Income and Expenditure Accounts.

Greatly expanded structural detail on industries and on goods and services is portrayed in the Input-Output Tables of the System (Catalogue Nos. with prefix 15). The Indexes of Real Domestic Product by Industry (included with Catalogue Nos. carrying the prefix 61) provide "constant dollar" measures of the contribution of each industry to gross domestic product at factor cost. Inputs and outputs are related in Productivity Studies (Catalogue Nos. with prefix 14).

Both the Input-Output Tables and Indexes of Real Domestic Product by Industry use the establishment as the primary unit of industrial production. Measures of financial transactions are provided by the Financial Flow Accounts (Catalogue Nos. with prefix 13). Types of lenders and financial instruments are the primary detail in these statistics, and the legal entity is the main unit of classification of transactors. Also, provision is made in the System for incorporation of balance sheet (wealth) estimates when such data are sufficiently developed.

The System of National Accounts provides an overall conceptually integrated framework in which the various parts can be considered as interrelated sub-systems. At present, direct comparisons amongst those parts which use the establishment as the basic unit and those which use the legal entity can be carried out only at highly aggregated levels of data. However, the Dominion Bureau of Statistics is continuing research on enterprise-company-establishment relationships; it may eventually be feasible to reclassify the data which are on one basis (say the establishment basis) to correspond to the units employed on another (the company or the enterprise basis).

In its broad outline, the Canadian System of National Accounts bears a close relationship to the international standard as described in the United Nations publication, "A System of National Accounts" (Studies in Methods, Series F., No. 2, Rev. 3, Statistical Office, Department of Economic and Social Affairs, United Nations, New York, 1968). In the future, a document on the conceptual framework of the Canadian System of National Accounts will be prepared for publication by the Dominion Bureau of Statistics. This document will furnish the broad theoretical outline of the System. The finer conceptual details, the statistical tables, and the descriptions of sources and methods as they pertain to the individual parts of the System, will appear in the various regular and occasional publications relating to those parts.

Following is a reconciliation statement of the current account of the Canadian balance of payments and exports and imports of goods and services as used in the Income and Expenditure Accounts.

Exports and Imports of Goods and Services
Reconciliation Statement

	1968	1969	1969				1970
			I Q	II Q	III Q	IV Q	I Q
	millions of dollars						
Exports of goods and services:							
"Current receipts" as per *Canadian Balance of International Payments*	17,208	18,887	4,200	4,815	4,886	4,986	4,799
Deduct:							
Current transfers:							
Personal remittances, etc.	- 96	- 99	- 24	- 25	- 25	- 25	- 25
Capital transfers:							
Inheritances and migrants' funds	- 370	- 363	- 62	- 100	- 109	- 92	- 72
Total "exports of goods and services" as per National Accounts	16,742	18,425	4,114	4,690	4,752	4,869	4,702
Imports of goods and services:							
"Current payments" as per *Canadian Balance of International Payments*	17,268	19,609	4,458	5,126	4,853	5,172	4,749
Deduct:							
Current transfers:							
Personal remittances, etc.	- 148	- 162	- 40	- 39	- 41	- 42	- 45
Official contributions	- 133	- 143	- 16	- 48	- 46	- 33	- 30
Capital transfers:							
Inheritances and migrants' funds	- 209	- 190	- 44	- 50	- 53	- 43	- 38
Add:							
Withholding taxes[1]	209	232	46	73	48	65	61
Total "imports of goods and services" as per National Accounts	16,987	19,346	4,404	5,062	4,761	5,119	4,697

[1] Investment income is taken into the balance of payments net of withholding taxes.

Note: Data include some revisions not yet reflected in the Income and Expenditure Accounts.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1)

Current Account

Line No.	Acct. No.	Item	1968 I	1968 II	1968 III	1968 IV	1969 I	1969 II
			millions of dollars					
	A	Current receipts						
1	1	Merchandise exports (adjusted)(2)	3,017	3,512	3,342	3,667	3,469	3,805
		Service receipts						
2	3	Gold production available for export	33	27	32	28	31	28
3	4	Travel	79	235	548	130	90	260
4	5	Interest and dividends	61	78	78	114	83	114
5	6	Freight and shipping	192	229	234	239	201	236
6	(part)11	Other service receipts	213	217	217	220	240	247
7		Total service receipts	578	786	1,109	731	645	885
8		Sub-totals, exports of goods and services	3,595	4,298	4,451	4,398	4,114	4,690
		Transfer receipts						
9	7	Inheritances and immigrants' funds	55	99	131	85	62	100
10	(part)11	Personal and institutional remittances(3)	23	25	24	24	24	25
11	12	Total current receipts	3,673	4,422	4,606	4,507	4,200	4,815
	B	Current payments						
12	1	Merchandise imports (adjusted)(2)	2,754	3,140	2,859	3,409	3,230	3,706
		Service payments						
13	4	Travel	209	258	375	173	260	346
14	5	Interest and dividends	293	314	297	386	309	320
15	6	Freight and shipping	193	243	247	254	207	260
16	(part)11	Other service payments	340	342	340	352	352	357
17		Total service payments	1,035	1,157	1,259	1,165	1,128	1,283
18		Sub-totals, imports of goods and services	3,789	4,297	4,118	4,574	4,358	4,989
		Transfer payments						
19	7	Inheritances and emigrants' funds	47	54	57	51	44	50
20	(part)11	Personal and institutional remittances(3)	38	37	36	37	40	39
21	9	Official contributions	14	40	50	29	16	48
22	12	Total current payments	3,888	4,428	4,261	4,691	4,458	5,126
	C	Current account balance						
23	1	Merchandise trade	+ 263	+ 372	+ 483	+ 258	+ 239	+ 99
		Service transactions						
24		Gold production available for export	+ 33	+ 27	+ 32	+ 28	+ 31	+ 28
25		Travel	− 130	− 23	+ 173	− 43	− 170	− 86
26		Interest and dividends	− 232	− 236	− 219	− 272	− 226	− 206
27		Freight and shipping	− 1	− 14	− 13	− 15	− 6	− 24
28		Other service transactions	− 127	− 125	− 123	− 132	− 112	− 110
29		Balance on service transactions	− 457	− 371	− 150	− 434	− 483	− 398
30		Balance on goods and services	− 194	+ 1	+ 333	− 176	− 244	− 299
31		Net transfers	− 21	− 7	+ 12	− 8	− 14	− 12
32	4	Total current account balance	− 215	− 6	+ 345	− 184	− 258	− 311

(1) Data for 1968, 1969 and 1970 are preliminary.
(2) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments - see Table 6.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1)

Current Account

1969		1970				1968	1969	Four quarters ended 1Q 1970	Acct. No.	Line No.
III	IV	I	II	III	IV					
millions of dollars										
									A	
3,557	4,055	3,936				13,538	14,886	15,353	1	1
29	22	25				120	110	104	3	2
585	144	107				992	1,079	1,096	4	3
80	129	98				331	406	421	5	4
243	254	221				894	934	954	6	5
258	265	315				867	1,010	1,085	(part)11	6
1,195	814	766				3,204	3,539	3,660		7
4,752	4,869	4,702				16,742	18,425	19,013		8
109	92	72				370	363	373	7	9
25	25	25				96	99	100	(part)11	10
4,886	4,986	4,799				17,208	18,887	19,486	12	11
									B	
3,316	3,766	3,314				12,162	14,018	14,102	1	12
458	206	299				1,015	1,280	1,319	4	13
299	436	389				1,290	1,364	1,444	5	14
262	265	213				937	994	1,000	6	15
368	381	421				1,374	1,458	1,527	(part)11	16
1,397	1,288	1,322				4,616	5,096	5,290		17
4,713	5,054	4,636				16,778	19,114	19,392		18
53	43	38				209	190	184	7	19
41	42	45				148	162	167	(part)11	20
46	33	30				133	143	157	9	21
4,853	5,172	4,749				17,268	19,609	19,900	12	22
									C	
+ 241	+ 289	+ 622				+ 1,376	+ 868	+ 1,251	1	23
+ 29	+ 22	+ 25				+ 120	+ 110	+ 104		24
+ 117	− 62	− 192				− 23	− 201	− 223		25
− 219	− 307	− 291				− 959	− 958	− 1,023		26
− 19	− 11	+ 8				− 43	− 60	− 46		27
− 110	− 116	− 106				− 507	− 448	− 442		28
− 202	− 474	− 556				− 1,412	− 1,557	− 1,630		29
+ 39	− 185	+ 66				− 36	− 689	− 379		30
− 6	− 1	− 16				− 24	− 33	− 35		31
+ 33	− 186	+ 50				− 60	− 722	− 414	4	32

(1) Personal and institutional remittances include pension payments. Prior to 1 Quarter 1970 publications, the total of this line was included in "all other current" transactions.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1) - Concluded

Capital Account(4)

Line No.	Acct. No.	Item	1968 I	1968 II	1968 III	1968 IV	1969 I	1969 II
			millions of dollars					
	D	Direct investment(5)						
33	1	In Canada	+ 20	+ 229	+ 178	+ 183	+ 130	+ 240
34	2	Abroad	− 66	+ 17	− 9	− 77	− 55	− 110
		Portfolio transactions						
		Canadian securities						
35	3.1	Outstanding bonds	− 52	− 11	− 13	+ 7	+ 17	− 6
36	3.2	Outstanding stocks	+ 15	+ 34	+ 10	+ 53	+ 37	+ 44
37	4	New issues	+ 407	+ 708	+ 452	+ 366	+ 637	+ 513
38	5	Retirements	− 124	− 120	− 37	− 114	− 70	− 126
		Foreign securities						
39	6	Outstanding issues	− 75	− 127	− 121	− 102	− 49	− 6
40	7	New issues	− 23	− 9	− 14	− 24	− 11	− 21
41	8	Retirements	+ 9	+ 7	+ 3	+ 8	+ 2	+ 19
		Loans and subscriptions - Government of Canada						
42	9	Advances	− 10	− 8	− 16	− 44	− 11	− 43
43	10	Repayments	+ 2	+ 2	+ 1	−	−	+ 2
44	11	Columbia River Treaty	−	−	−	+ 88	−	−
45	12	Export credits directly or indirectly at risk of the Government of Canada	+ 44	+ 8	− 8	− 15	− 13	− 30
46	13	Other long-term capital transactions	− 15	+ 12	− 66	+ 27	− 71	+ 7
47	E 1	Balance of capital movements in long-term forms (lines 33-46)	+ 132	+ 742	+ 360	+ 356	+ 543	+ 483
48	D 17.1	Resident holdings of foreign bank balances and other short-term funds abroad	− 124	+ 27	− 148	− 164	− 156	− 569
		Non-resident holdings of Canadian:						
49	14.1	Dollar deposits	+ 8	+ 4	+ 4	+ 54	− 10	+ 25
50	14.2	Government demand liabilities	− 4	− 3	+ 1	+ 27	− 2	− 30
51	14.3	Treasury bills	+ 23	+ 1	+ 11	+ 13	+ 13	− 5
52	17.2a	Commercial paper	− 1	− 1	+ 3	+ 1	− 1	+ 23
53	17.3	Finance company paper	− 60	− 35	− 36	−	+ 159	+ 71
54	17.2b	Other short-term paper	+ 7	− 17	− 1	+ 12	− 2	− 20
55	17.4	Other finance company obligations	− 6	− 7	− 2	+ 34	+ 23	+ 28
56	17.5	Other short-term capital transactions(6)	− 524	− 85	− 375	+ 182	− 347	+ 251
57	E 2	Balance of capital movements in short-term forms (lines 48-56)	− 681	− 116	− 543	+ 159	− 323	− 226
58	E 3	Total net capital balance	− 549	+ 626	− 183	+ 515	+ 220	+ 257
59		Allocation of Special Drawing Rights	...	...	...	...	...	...
	H	Net official monetary assets(7):						
60	4	Official international reserves	− 495	+ 486	+ 28	+ 331	− 38	− 54
61	5	Official monetary liabilities	− 269	+ 134	+ 134	−	−	−
62	6	Net official monetary assets	− 764	+ 620	+ 162	+ 331	− 38	− 54

(4) A minus sign in Accounts D and E equals an outflow of capital from Canada and represents an increase in holdings of assets abroad or a reduction in liabilities to non-residents.

(5) Exclusive of undistributed profits.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1) - Concluded

Capital Account(4)

1969		1970				1968	1969	Four quarters ended 1 Q 1970	Acct. No.	Line No.
III	IV	I	II	III	IV					
millions of dollars										
									D	
+ 95	+ 160	+ 165				+ 610	+ 625	+ 660	1	33
− 30	− 60	− 110				− 135	− 255	− 310	2	34
− 12	+ 2	+ 4				− 69	+ 1	− 12	3.1	35
− 4	− 16	− 4				+ 112	+ 61	+ 20	3.2	36
+ 573	+ 335	+ 520				+ 1,933	+ 2,058	+ 1,941	4	37
− 49	− 130	− 86				− 395	− 375	− 391	5	38
+ 67	+ 101	+ 118				− 425	+ 113	+ 280	6	39
− 5	− 6	− 3				− 70	− 43	− 35	7	40
+ 2	+ 3	+ 2				+ 27	+ 26	+ 26	8	41
− 15	− 20	− 25				− 78	− 89	− 103	9	42
−	+ 20	−				+ 5	+ 22	+ 22	10	43
−	+ 32	−				+ 88	+ 32	+ 32	11	44
+ 7	+ 27	+ 12				+ 29	− 9	+ 16	12	45
− 5	+ 64	+ 49				− 42	− 5	+ 115	13	46
+ 624	+ 512	+ 642				+ 1,590	+ 2,162	+ 2,261	E 1	47
− 622	− 262	+ 241				− 409	− 1,609	− 1,212	D 17.1	48
− 4	+ 50	+ 30				+ 70	+ 61	+ 101	14.1	49
+ 1	− 3	− 2				+ 21	− 34	− 34	14.2	50
+ 5	+ 19	+ 6				+ 48	+ 32	+ 25	14.3	51
− 15	+ 36	+ 7				+ 2	+ 43	+ 51	17.2a	52
− 71	+ 17	− 78				− 131	+ 176	− 61	17.3	53
− 5	+ 24	− 1				+ 1	− 3	− 2	17.2b	54
+ 3	+ 62	− 34				+ 19	+ 116	+ 59	17.4	55
+ 46	− 107	− 467				− 802	− 157	− 277	17.5	56
− 662	− 164	− 298				− 1,181	− 1,375	− 1,350	E 2	57
− 38	+ 348	+ 344				+ 409	+ 787	+ 911	E 3	58
...	...	+ 133				...	...	+ 133		59
									H	
− 5	+ 162	+ 527				+ 350	+ 65	+ 630	4	60
−	−	−				− 1	−	−	5	61
− 5	+ 162	+ 527				+ 349	+ 65	+ 630	6	62

(6) Includes balancing item representing difference between direct measures of current and capital accounts and embodies errors and omissions from both accounts.
(7) For detailed composition of official monetary assets see Table 4.
... Not applicable.

TABLE 2. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account — Seasonally Adjusted

Line No.	Acct. No.	Item	1968 I	1968 II	1968 III	1968 IV
			millions of dollars			
	A	Current receipts				
1	1	Merchandise exports (adjusted)(1)	3,268	3,361	3,334	3,575
		Service receipts				
2	3	Gold production available for export	31	28	32	29
3	4	Travel	241	257	252	242
4	5	Interest and dividends	71	85	94	81
5	6	Freight and shipping	220	223	222	229
6	(part)11	Other service receipts	206	216	219	226
7		Total service receipts	769	809	819	807
8		Sub-totals, exports of goods and services	4,037	4,170	4,153	4,382
		Transfer receipts				
9	7	Inheritances and immigrants' funds	77	90	109	94
10	(part)11	Personal and institutional remittances(2)	24	24	24	24
11	12	Total current receipts	4,138	4,284	4,286	4,500
	B	Current payments				
12	1	Merchandise imports (adjusted)(1)	2,967	2,908	3,007	3,280
		Service payments				
13	4	Travel	240	239	278	258
14	5	Interest and dividends	321	337	336	295
15	6	Freight and shipping	228	232	232	243
16	(part)11	Other service payments	332	341	348	353
17		Total service payments	1,121	1,149	1,194	1,152
18		Sub-totals, imports of goods and services	4,088	4,057	4,201	4,432
		Transfer payments				
19	7	Inheritances and emigrants' funds	56	58	48	47
20	(part)11	Personal and institutional remittances(2)	37	38	37	36
21	9	Official contributions	25	30	41	37
22	12	Total current payments	4,206	4,183	4,327	4,552
	C	Current account balance				
23	1	Merchandise trade	+ 301	+ 453	+ 327	+ 295
		Service transactions				
24		Gold production available for export	+ 31	+ 28	+ 32	+ 29
25		Travel	+ 1	+ 18	− 26	− 16
26		Interest and dividends	− 250	− 252	− 242	− 215
27		Freight and shipping	− 8	− 9	− 10	− 16
28		Other service transactions	− 126	− 125	− 129	− 127
29		Total service transactions	− 352	− 340	− 375	− 345
30		Balance on goods and services	− 51	+ 113	− 48	− 50
31		Net transfers	− 17	− 12	+ 7	− 2
32	4	Total current account balance	− 68	+ 101	− 41	− 52

(1) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account — Seasonally Adjusted

1969				1970				Acct. No.	Line No.
I	II	III	IV	I	II	III	IV		
millions of dollars									
								A	
3,718	3,607	3,650	3,911	4,263				1	1
29	29	28	24	23				3	2
272	274	266	267	319				4	3
97	117	97	95	115				5	4
229	230	233	242	252				6	5
233	245	259	273	305				(part)11	6
860	895	883	901	1,014					7
4,578	4,502	4,533	4,812	5,277					8
88	89	87	99	101				7	9
24	25	25	25	26				(part)11	10
4,690	4,616	4,645	4,936	5,404				12	11
								B	
3,483	3,423	3,481	3,631	3,565				1	12
293	326	339	316	339				4	13
341	343	337	343	423				5	14
244	247	248	255	250				6	15
342	356	377	383	411				(part)11	16
1,226	1,272	1,301	1,297	1,423					17
4,709	4,695	4,782	4,928	4,988					18
52	52	45	41	46				7	19
40	40	41	41	46				(part)11	20
29	36	38	40	44				9	21
4,830	4,823	4,906	5,050	5,124				12	22
								C	
+ 235	+ 184	+ 169	+ 280	+ 698				1	23
+ 29	+ 29	+ 28	+ 24	+ 23					24
- 27	- 52	- 73	- 49	- 20					25
- 244	- 226	- 240	- 248	- 308					26
- 15	- 17	- 15	- 13	+ 2					27
- 109	- 111	- 118	- 110	- 106					28
- 366	- 377	- 418	- 396	- 409					29
- 131	- 193	- 249	- 116	+ 289					30
- 9	- 14	- 12	+ 2	- 9					31
- 140	- 207	- 261	- 114	+ 280				4	32

(2) Personal and institutional remittances include pension payments. Prior to I Quarter 1970 publications, the total of this line was included in "all other current" transactions.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

By Area

No.	Item	1968 I	1968 II	1968 III	1968 IV	1969 I	1969 II
		millions of dollars					
	United States						
1	Merchandise exports (adjusted)	2,054	2,331	2,199	2,532	2,459	2,666
2	Non-merchandise receipts(1,4)	375	578	888	522	442	639
3	Total current receipts	2,429	2,909	3,087	3,054	2,901	3,305
4	Merchandise imports (adjusted)	2,076	2,307	2,019	2,465	2,453	2,664
5	Non-merchandise payments(1)	796	907	932	889	864	975
6	Total current payments	2,872	3,214	2,951	3,354	3,317	3,639
	Balance						
7	Merchandise trade	- 22	+ 24	+ 180	+ 67	+ 6	+ 2
8	Non-merchandise trade	- 421	- 329	- 44	- 367	- 422	- 336
9	Current account balance	- 443	- 305	+ 136	- 300	- 416	- 334
	Capital movements(2)						
10	In long-term forms	+ 111	+ 383	+ 262	+ 328	+ 335	+ 329
11	In short-term forms	- 507	- 228	- 746	+ 186	- 149	+ 314
12	Total net capital balance	- 396	+ 155	- 484	+ 514	+ 186	+ 643
	United Kingdom						
13	Merchandise exports (adjusted)	296	319	323	303	289	291
14	Non-merchandise receipts(1)	89	102	106	95	98	122
15	Total current receipts	385	421	429	398	387	413
16	Merchandise imports (adjusted)	160	180	161	181	173	231
17	Non-merchandise payments(1)	97	107	150	119	99	125
18	Total current payments	257	287	311	300	272	356
	Balance						
19	Merchandise trade	+ 136	+ 139	+ 162	+ 122	+ 116	+ 60
20	Non-merchandise trade	- 8	- 5	- 44	- 24	- 1	- 3
21	Current account balance	+ 128	+ 134	+ 118	+ 98	+ 115	+ 57
	Capital movements(2)						
22	In long-term forms	- 1	+ 55	- 34	+ 35	+ 9	+ 17
23	In short-term forms	- 203	- 52	- 14	- 112	- 347	- 654
24	Total net capital balance	- 204	+ 3	- 48	- 77	- 338	- 637
	Rest of the Sterling Area						
25	Merchandise exports (adjusted)	133	168	165	149	141	154
26	Non-merchandise receipts(1)	43	53	66	57	45	65
27	Total current receipts	176	221	231	206	186	219
28	Merchandise imports (adjusted)	77	110	130	140	95	152
29	Non-merchandise payments(1)	36	56	53	43	45	69
30	Total current payments	113	166	183	183	140	221
	Balance						
31	Merchandise trade	+ 56	+ 58	+ 35	+ 9	+ 46	+ 2
32	Non-merchandise trade	+ 7	- 3	+ 13	+ 14	-	- 4
33	Current account balance	+ 63	+ 55	+ 48	+ 23	+ 46	- 2

See footnotes at the end of table.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

By Area

1969		1970				1968	1969	Four quarters ended 1Q 1970	
III	IV	I	II	III	IV				No.
millions of dollars									
2,437	2,938	2,637				9,116	10,500	10,678	1
950	566	489				2,363	2,597	2,644	2
3,387	3,504	3,126				11,479	13,097	13,322	3
2,281	2,711	2,461				8,867	10,109	10,117	4
1,005	964	965				3,524	3,808	3,909	5
3,286	3,675	3,426				12,391	13,917	14,026	6
+ 156	+ 227	+ 176				+ 249	+ 391	+ 561	7
- 55	- 398	- 476				- 1,161	- 1,211	- 1,265	8
+ 101	- 171	- 300				- 912	- 820	- 704	9
+ 451	+ 387	+ 576				+ 1,084	+ 1,502	+ 1,743	10
- 538	- 87	- 172				- 1,295	- 460	- 483	11
- 87	+ 300	+ 404				- 211	+ 1,042	+ 1,260	12
271	268	335				1,241	1,119	1,165	13
119	133	145				392	472	519	14
390	401	480				1,633	1,591	1,684	15
216	193	181				682	813	821	16
164	127	118				473	515	534	17
380	320	299				1,155	1,328	1,355	18
+ 55	+ 75	+ 154				+ 559	+ 306	+ 344	19
- 45	+ 6	+ 27				- 81	- 43	- 15	20
+ 10	+ 81	+ 181				+ 478	+ 263	+ 329	21
- 18	+ 43	+ 30				+ 55	+ 51	+ 72	22
- 276	- 74	- 46				- 381	- 1,351	- 1,050	23
- 294	- 31	- 16				- 326	- 1,300	- 978	24
174	156	181				615	625	665	25
65	66	55				219	241	251	26
239	222	236				834	866	916	27
168	173	108				457	588	601	28
49	45	60				188	208	223	29
217	218	168				645	796	824	30
+ 6	- 17	+ 73				+ 158	+ 37	+ 64	31
+ 16	+ 21	- 5				+ 31	+ 33	+ 28	32
+ 22	+ 4	+ 68				+ 189	+ 70	+ 92	33

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS — Concluded

By Area

No.	Item	1968 I	1968 II	1968 III	1968 IV	1969 I	1969 II
		millions of dollars					
	Other OECD (Europe)(3)						
34	Merchandise exports (adjusted)	204	269	283	283	265	311
35	Non-merchandise receipts(1)	55	75	81	64	54	83
36	Total current receipts	259	344	364	347	319	394
37	Merchandise imports (adjusted)	181	240	235	285	214	311
38	Non-merchandise payments(1)	140	146	184	152	147	170
39	Total current payments	321	386	419	437	361	481
	Balance						
40	Merchandise trade	+ 23	+ 29	+ 48	− 2	+ 51	−
41	Non-merchandise trade	− 85	− 71	− 103	− 88	− 93	− 87
42	Current account balance	− 62	− 42	− 55	− 90	− 42	− 87
	Other Countries						
43	Merchandise exports (adjusted)	330	425	372	400	315	383
44	Non-merchandise receipts(1)	61	75	91	74	61	73
45	Total current receipts	391	500	463	474	376	456
46	Merchandise imports (adjusted)	260	303	314	338	295	348
47	Non-merchandise payments(1)	65	72	83	79	73	81
48	Total current payments	325	375	397	417	368	429
	Balance						
49	Merchandise trade	+ 70	+ 122	+ 58	+ 62	+ 20	+ 35
50	Non-merchandise trade	− 4	+ 3	+ 8	− 5	− 12	− 8
51	Current account balance	+ 66	+ 125	+ 66	+ 57	+ 8	+ 27
	All Countries						
52	Merchandise exports (adjusted)	3,017	3,512	3,342	3,667	3,469	3,805
53	Non-merchandise receipts(1, 4)	656	910	1,264	840	731	1,010
54	Total current receipts	3,673	4,422	4,606	4,507	4,200	4,815
55	Merchandise imports (adjusted)	2,754	3,140	2,859	3,409	3,230	3,706
56	Non-merchandise payments(1)	1,134	1,288	1,402	1,282	1,228	1,420
57	Total current payments	3,888	4,428	4,261	4,691	4,458	5,126
	Balance						
58	Merchandise trade	+ 263	+ 372	+ 483	+ 258	+ 239	+ 99
59	Non-merchandise trade	− 478	− 378	− 138	− 442	− 497	− 410
60	Current account balance	− 215	− 6	+ 345	− 184	− 258	− 311
	Capital movements						
61	In long-term forms	+ 132	+ 742	+ 360	+ 356	+ 543	+ 483
62	In short-term forms	− 681	− 116	− 543	+ 159	− 323	− 226
63	Total net capital balance	− 549	+ 626	− 183	+ 515	+ 220	+ 257
64	Allocation of Special Drawing Rights	...	...	...	...	...	...
65	Change in net official monetary assets	− 764	+ 620	+ 162	+ 331	− 38	− 54

(1) Including transfer receipts/payments.

(2) Capital movements by area on a quarterly basis are only available for Canada's transactions with the United States and the United Kingdom.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS — Concluded

By Area

1969		1970				1968	1969	Four quarters ended 1Q 1970	
III	IV	I	II	III	IV				No.
millions of dollars									
308	324	351				1,039	1,208	1,294	34
82	70	76				275	289	311	35
390	394	427				1,314	1,497	1,605	36
283	315	238				941	1,123	1,147	37
221	180	175				622	718	746	38
504	495	413				1,563	1,841	1,893	39
+ 25	+ 9	+ 113				+ 98	+ 85	+ 147	40
− 139	− 110	− 99				− 347	− 429	− 435	41
− 114	− 101	+ 14				− 249	− 344	− 288	42
367	369	432				1,527	1,434	1,551	43
84	74	73				301	292	304	44
451	443	505				1,828	1,726	1,855	45
368	374	326				1,215	1,385	1,416	46
98	90	117				299	342	386	47
466	464	443				1,514	1,727	1,802	48
− 1	− 5	+ 106				+ 312	+ 49	+ 135	49
− 14	− 16	− 44				+ 2	− 50	− 82	50
− 15	− 21	+ 62				+ 314	− 1	+ 53	51
3,557	4,055	3,936				13,538	14,886	15,353	52
1,329	931	863				3,670	4,001	4,133	53
4,886	4,986	4,799				17,208	18,887	19,486	54
3,316	3,766	3,314				12,162	14,018	14,102	55
1,537	1,406	1,435				5,106	5,591	5,798	56
4,853	5,172	4,749				17,268	19,609	19,900	57
+ 241	+ 289	+ 622				+ 1,376	+ 868	+ 1,251	58
− 208	− 475	− 572				− 1,436	− 1,590	− 1,665	59
+ 33	− 186	+ 50				− 60	− 722	− 414	60
+ 624	+ 512	+ 642				+ 1,590	+ 2,162	+ 2,261	61
− 662	− 164	− 298				− 1,181	− 1,375	− 1,350	62
− 38	+ 348	+ 344				+ 409	+ 787	+ 911	63
...	...	+ 133				...	...	+ 133	64
− 5	+ 162	+ 527				+ 349	+ 65	+ 630	65

(3) Includes Austria, Belgium and Luxembourg, Denmark, Federal Republic of Germany, France, Greece, Greenland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and Turkey. Finland included as of January 1970.

(4) Gold production available for export has not been allocated on a bilateral basis but is included in the total for all countries.

... Not applicable.

TABLE 4. CANADA'S OFFICIAL INTERNATIONAL MONETARY ASSETS AND LIABILITIES

No.	Item	1968 I	1968 II	1968 III	1968 IV	1969 I	1969 II
		millions of United States dollars at end of period					
	Assets						
	Official holdings of foreign exchange						
1	U.S. dollars	1,269	1,649	1,672	1,965	1,918	1,758
2	Other convertible currencies	16	15	16	12	9	15
3	Monetary gold	976	926	863	863	863	866
4	Special Drawing Rights	...	...	...	...	...	...
5	Reserve position in IMF	–	121	186	206	221	322
6	Total official international reserves(1)	2,261	2,711	2,737	3,046	3,011	2,961
	Liabilities						
7	Use of IMF credit(2)	–	–	–	–	–	–
8	Foreign exchange deposit liabilities	1	1	1	1	1	1
9	Reported use of central bank reciprocal credit facilities	250	125	–	–	–	–
10	Total official monetary liabilities	251	126	1	1	1	1
11	Net official monetary assets	2,010	2,585	2,736	3,045	3,010	2,960
		Change in millions of Canadian dollars					
	Change in Assets and Liabilities						
12	Total official international reserves(3)	– 495	+ 486	+ 28	+ 331	– 38	– 54
13	Total official monetary liabilities(3)	– 269	+ 134	+ 134	–	–	–

(1) As published by the Minister of Finance.
(2) Transactions with the IMF when that institution holds Canadian dollars in excess of 100 per cent of the Canadian quota.

TABLE 4. CANADA'S OFFICIAL INTERNATIONAL MONETARY ASSETS AND LIABILITIES

1969		1970							
III	IV	I	II	III	IV	January	February	March	No.
millions of United States dollars at end of period									
1,668	1,744	2,057							1
14	12	14							2
872	872	879							3
...	...	133							4
402	478	515							5
2,956	3,106	3,598							6
–	–	–							7
1	1	1							8
–	–	–							9
1	1	1							10
2,955	3,105	3,597							11
Change in millions of Canadian dollars									
– 5	+ 162	+ 527							12
–	–	–							13

(3) These totals appear as items H4 and H5 in Table 1.
... Not applicable.

TABLE 5. CANADA'S GENERAL ACCOUNT WITH THE INTERNATIONAL MONETARY FUND(1)

	Canadian assets			Canadian liabilities (equals IMF holdings of Canadian dollars)							Canada's net balance with IMF(2)
	Transactions		Total assets	Transactions						Total liabilities	
	Subscription to IMF (Quota)	Loans under GAB		Subscriptions and loans	Foreign currencies		Canadian dollars		Other		
					Drawings by Canada	Repayments (–)	Drawings by other countries(–)	Repayments			
	millions of United States dollars										
1947-1966	740.0	50.0	790.0	605.0	300.0	– 245.7	– 949.4	570.1	61.5(3)	341.5	448.5
1967		-15.0	775.0	– 15.0			– 30.0	45.1		341.6	433.4
1968		-35.0	740.0	– 35.0	426.0	– 64.8	– 138.5	7.3	- 2.8(4)	533.8	206.2
1969		95.5	835.5	65.5			– 293.5	43.2	8.4	357.4	478.1
1968 1		-35.0	740.0	– 35.0	426.0			7.3		739.9	0.1
11			740.0				– 121.0			618.9	121.1
111			740.0			– 64.8				554.1	185.9
1V			740.0				– 17.5		- 2.8(4)	533.8	206.2
1969 1			740.0				– 15.0			518.8	221.2
11		40.0	780.0	40.0			– 103.5		2.5(3)	457.8	322.2
111		25.5	805.5	25.5			– 87.0	0.8	6.1(3)	403.2	402.3
1V		30.0(5)	835.5				– 88.0	42.4	– 0.2(4)	357.4	478.1
1970 1		24.5	860.0	24.5			– 63.8	18.1	8.8(3)	345.0	515.0
11											
111											
1V											

(1) Excludes Special Drawing Rights account.
(2) This is a cumulative measure of the net resources provided by Canada to the IMF including loans under the General Arrangements to Borrow (GAB). Canada's net balance with the IMF, when positive, represents its reserve position in the IMF. This may be drawn by Canada virtually automatically on statement of balance of payments need, but Canada would then be under an obligation to restore its net balance to 25 per cent of its quota which is currently $740 million, i.e. to $185 million. The Canadian dollar equivalent of changes in positive balances appears as a component of item H4 in Table 1. Changes in negative balances, i.e. use of IMF credit, are shown as a component of item H5.
(3) Sales of Canadian dollars to IMF for gold.
(4) Dividend payment to Canada.
(5) Acquisition of GAB notes issued previously to another IMF member.

Note: The statement is expressed in terms of United States dollar equivalents in accordance with IMF practice. Since members are obligated to maintain the gold value of the IMF's holdings of their currencies, from time to time there have been adjustment payments between the IMF and Canada in Canadian dollars arising from changes in the exchange rate. These transactions are not reflected above because the series are shown in United States dollar equivalents, and do not appear in the balance of payments statements because only the change in Canada's net asset is shown. The adjustment transactions affect the Public Accounts of Canada.

TABLE 6. BALANCE OF PAYMENTS ADJUSTMENTS TO TRADE OF CANADA FIGURES

Item	1968				1969				1970				1968	1969	1970
	1	11	111	1V	1	11	111	1V	1	11	111	1V			
	millions of dollars														
Trade of Canada EXPORTS (including re-exports)	3,021	3,517	3,373	3,694	3,467	3,811	3,556	4,036	3,939				13,605	14,870	
Adjustments															
Wheat	+ 3	+ 29	− 21	− 15	−	+ 4	− 1	+ 8	− 6				− 4	+ 11	
Aircraft and other adjustments	− 7	− 34	− 10	− 12	+ 2	− 10	+ 2	+ 11	+ 3				− 63	+ 5	
Equals merchandise exports adjusted to balance of payments basis	3,017	3,512	3,342	3,667	3,469	3,805	3,557	4,055	3,936				13,538	14,886	
Trade of Canada IMPORTS ..	2,810	3,200	2,884	3,464	3,264	3,805	3,349	3,784	3,331				12,358	14,202	
Adjustments															
Automotive products	− 38	− 37	− 28	− 44	− 46	− 64	− 42	− 28	− 22				− 147	− 180	
Aircraft and other equipment	− 13	− 18	+ 9	− 5	+ 17	− 30	+ 14	+ 16	+ 11				− 27	+ 17	
Other adjustments	− 5	− 5	− 6	− 6	− 5	− 5	− 5	− 6	− 6				− 22	− 21	
Equals merchandise imports adjusted to balance of payments basis	2,754	3,140	2,859	3,409	3,230	3,706	3,316	3,766	3,314				12,162	14,018	
Trade balance on balance of payments basis	+ 263	+ 372	+ 483	+ 258	+ 239	+ 99	+ 241	+ 289	+ 622				+1,376	+ 868	

TABLE 7. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Summary of Current Account

Period	Exports (adjusted)	Imports (adjusted)	Trade balance	Non-merchandise receipts(1)	Non-merchandise payments(1)	Non-merchandise balance	Total current account balance	Current account balance		
								With:(2) United States	With: United Kingdom	With: All other countries
	millions of dollars									
1960	5,392	5,540	− 148	1,744	2,829	− 1,085	− 1,233	− 1,359	+ 169	− 43
1961	5,889	5,716	+ 173	1,899	3,000	− 1,101	− 928	− 1,341	+ 195	+ 218
1962	6,387	6,203	+ 184	2,036	3,050	− 1,014	− 830	− 1,092	+ 225	+ 37
1963	7,082	6,579	+ 503	2,207	3,231	− 1,024	− 521	− 1,148	+ 417	+ 210
1964	8,238	7,537	+ 701	2,509	3,634	− 1,125	− 424	− 1,635	+ 605	+ 606
1965	8,745	8,627	+ 118	2,736	3,984	− 1,248	− 1,130	− 1,937	+ 505	+ 302
1966	10,326	10,102	+ 224	3,070	4,456	− 1,386	− 1,162	− 2,030	+ 425	+ 443
1967	11,338	10,772	+ 566	3,747	4,812	− 1,065	− 499	− 1,342	+ 512	+ 331
1968	13,538	12,162	+ 1,376	3,670	5,106	− 1,436	− 60	− 792	+ 478	+ 254
1969	14,886	14,018	+ 868	4,001	5,591	− 1,590	− 722	− 710	+ 263	− 275
1970										
1965 I	1,826	1,866	− 40	505	886	− 381	− 421	− 595	+ 96	+ 78
II	2,191	2,218	− 27	648	985	− 337	− 364	− 532	+ 141	+ 27
III	2,263	2,101	+ 162	930	1,058	− 128	+ 34	− 175	+ 138	+ 71
IV	2,465	2,442	+ 23	653	1,055	− 402	− 379	− 635	+ 130	+ 126
1966 I	2,223	2,213	+ 10	563	960	− 397	− 387	− 590	+ 106	+ 97
II	2,602	2,651	− 49	734	1,065	− 331	− 380	− 605	+ 110	+ 115
III	2,695	2,472	+ 223	1,033	1,223	− 190	+ 33	− 191	+ 101	+ 123
IV	2,806	2,766	+ 40	740	1,208	− 468	− 428	− 644	+ 108	+ 108
1967 I	2,596	2,481	+ 115	648	1,076	− 428	− 313	− 563	+ 127	+ 123
II	3,003	2,975	+ 28	947	1,244	− 297	− 269	− 508	+ 116	+ 123
III	2,691	2,591	+ 100	1,350	1,250	+ 100	+ 200	+ 48	+ 102	+ 50
IV	3,048	2,725	+ 323	802	1,242	− 440	− 117	− 319	+ 167	+ 35
1968 I	3,017	2,754	+ 263	656	1,134	− 478	− 215	− 410	+ 128	+ 67
II	3,512	3,140	+ 372	910	1,288	− 378	− 6	− 278	+ 134	+ 138
III	3,342	2,859	+ 483	1,264	1,402	− 138	+ 345	+ 168	+ 118	+ 59
IV	3,667	3,409	+ 258	840	1,282	− 442	− 184	− 272	+ 98	− 10
1969 I	3,469	3,230	+ 239	731	1,228	− 497	− 258	− 385	+ 115	+ 12
II	3,805	3,706	+ 99	1,010	1,420	− 410	− 311	− 306	+ 57	− 62
III	3,557	3,316	+ 241	1,329	1,537	− 208	+ 33	+ 130	+ 10	− 107
IV	4,055	3,766	+ 289	931	1,406	− 475	− 186	− 149	+ 81	− 118
1970 I	3,936	3,314	+ 622	863	1,435	− 572	+ 50	− 275	+ 181	+ 144
II										
III										
IV										

(1) Includes transfers.

(2) Includes gold production available for export.

TABLE 7. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Concluded

Summary of Capital Account

Period	Direct investment in Canada	Direct investment abroad	Portfolio transactions	Other capital movements in long-term forms	Resident holdings of foreign bank balances and other short-term funds abroad	Non-resident holdings of Canadian short-term paper	Other capital movements in short-term forms(1)	Net capital movement	Allocation of Special Drawing Rights	Change in net official monetary assets
	millions of dollars									
1960	+ 670	− 50	+ 217	+ 92	− 60	+ 56	+ 269	+ 1,194	...	− 39
1961	+ 560	− 80	+ 312	+ 138	+ 142	− 58	+ 206	+ 1,220	...	+ 292
1962	+ 505	− 105	+ 294	− 6	+ 92	+ 4	+ 200	+ 984	...	+ 154
1963	+ 280	− 135	+ 471	+ 21	− 259	+ 43	+ 245	+ 666	...	+ 145
1964	+ 270	− 95	+ 645	−	− 527	+ 169	+ 326	+ 788	...	+ 364
1965	+ 535	− 125	+ 546	− 92	+ 140	− 140	+ 425	+ 1,289	...	+ 159
1966	+ 790	− 5	+ 325	+ 57	− 603	− 12	+ 251	+ 803	...	− 359
1967	+ 691	− 125	+ 473	+ 308	− 284	− 39	− 505	+ 519	...	+ 20
1968	+ 610	− 135	+ 1,113	+ 2	− 409	− 80	− 692	+ 409	...	+ 349
1969	+ 625	− 255	+ 1,841	− 49	− 1,609	+ 248	− 14	+ 787	...	+ 65
1970										
1965 I	+ 142	− 57	+ 106	+ 22	+ 173	− 8	− 27	+ 351	...	− 70
II	+ 133	+ 33	+ 69	− 53	+ 140	− 4	+ 47	+ 365	...	+ 1
III	+ 111	− 55	+ 218	− 58	− 76	− 60	+ 110	+ 190	...	+ 224
IV	+ 149	− 46	+ 153	− 3	− 97	− 68	+ 295	+ 383	...	+ 4
1966 I	+ 134	− 22	+ 356	+ 1	− 166	+ 7	− 56	+ 254	...	− 133
II	+ 203	− 29	− 3	+ 56	− 22	− 14	+ 66	+ 257	...	− 123
III	+ 151	+ 80	+ 27	− 6	− 318	− 41	− 12	− 119	...	− 86
IV	+ 302	− 34	− 55	+ 6	− 97	+ 36	+ 253	+ 411	...	− 17
1967 I	+ 154	− 37	+ 116	+ 47	+ 330	+ 16	− 328	+ 298	...	− 15
II	+ 186	− 16	+ 29	+ 48	+ 46	− 11	− 65	+ 217	...	− 52
III	+ 166	− 34	+ 102	+ 79	− 311	− 71	− 75	− 144	...	+ 56
IV	+ 185	− 38	+ 226	+ 134	− 349	+ 27	− 37	+ 148	...	+ 31
1968 I	+ 20	− 66	+ 157	+ 21	− 124	− 31	− 526	− 549	...	− 764
II	+ 229	+ 17	+ 482	+ 14	+ 27	− 52	− 91	+ 626	...	+ 620
III	+ 178	− 9	+ 280	− 89	− 148	− 23	− 372	− 183	...	+ 162
IV	+ 183	− 77	+ 194	+ 56	− 164	+ 26	+ 297	+ 515	...	+ 331
1969 I	+ 130	− 55	+ 563	− 95	− 156	+ 169	− 336	+ 220	...	− 38
II	+ 240	− 110	+ 417	− 64	− 569	+ 69	+ 274	+ 257	...	− 54
III	+ 95	− 30	+ 572	− 13	− 622	− 86	+ 46	− 38	...	− 5
IV	+ 160	− 60	+ 289	+ 123	− 262	+ 96	+ 2	+ 348	...	+ 162
1970 I	+ 165	− 110	+ 551	+ 36	+ 241	− 66	− 473	+ 344	+ 133	+ 527
II										
III										
IV										

(1) Includes errors and omissions.
... Not applicable.

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QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - First Quarter 1970