



# The Daily

Statistics Canada

Tuesday, June 23, 1998

For release at 8:30 a.m.

## MAJOR RELEASES

- **Canada's international transactions in securities, April 1998** 3  
 In April, foreign investors pulled \$4.7 billion out of Canadian securities. Meanwhile, Canadian residents continued to load up on foreign stocks with their largest purchase in 16 months.
- **Composite Index, May 1998** 6  
 Growth in the leading index picked up to 0.5% in May from 0.4% in April.

*(continued on following page)*



### Market research handbook 1998

The 1998 edition of the *Market research handbook* (63-224-XPB, \$125) is now available. Since 1975, the *Market research handbook* has been an authoritative source of socio-economic information reflecting key characteristics of local and national markets in Canada. By providing accurate and timely statistics on the changing demographics, standards of living, and economic characteristics of Canadian society, the handbook helps businesses locate target markets, track their market share, and assess their competitive position.

The 1998 edition contains the latest data from the 1996 Census and a wide range of other surveys, and incorporates a number of features designed to make it more user-friendly. Features include a new user's guide, the addition of annotated charts to reveal salient trends, HELP lines for each of the data sources, and references to CANSIM, Statistics Canada's Canadian Socio-economic Information Management System, accessible on-line at <http://www.statcan.ca>.

To order the *Market research handbook* (63-224-XPB, \$125), see *How to order publications*. For general information about this publication, contact Jenny Grenier (613-951-1020).



---

**OTHER RELEASES**

---

Employment Insurance, April 1998	8
Electric lamps, May 1998	9
Sawmills and planing mills, April 1998	9

---

<b>PUBLICATIONS RELEASED</b>	<b>10</b>
------------------------------	-----------

---

## MAJOR RELEASES

### Canada's international transactions in securities

April 1998

In April, foreign investors pulled \$4.7 billion out of Canadian securities. They sold \$6.7 billion of Canadian bonds but acquired about a billion each of Canadian stocks and money market paper. Meanwhile, Canadian residents continued to load up on foreign stocks with their largest purchase in 16 months.

#### Foreign investors sold Canadian bonds

After acquiring \$3.9 billion of Canadian bonds in March, foreigners retreated from the Canadian bond market in April by selling \$6.7 billion. Most of the selling was in existing bonds, mainly federal issues, as \$5.9 billion was sold by American, European and Asian investors. In addition, retirements exceeded new Canadian bonds issued in foreign markets by \$1 billion. Some 85% of the foreign-placed new issues in April were denominated in U.S. dollars, a shift from March when new issues were denominated in currencies other than Canadian and U.S. dollars.

Canadian stocks continued to appeal to foreign investors who bought a further \$1.2 billion in April. This brought to near \$13 billion their purchases in the latest 12-month period. The buying continued to come predominantly from American investors as it had for 1997. Canadian stock prices (as measured by the TSE 300 composite index) cooled off with a small gain in April, after rising an impressive 12.8% over the previous two months.

For the second consecutive month, foreigners acquired small amounts of Canadian money market paper. This occurred as the differential on short-term instruments, though continuing to favour investment in the United States, shrunk to a mere 25 basis points by the end of April. It has been on a steady eight-month decline from over 220 basis points in September 1997.

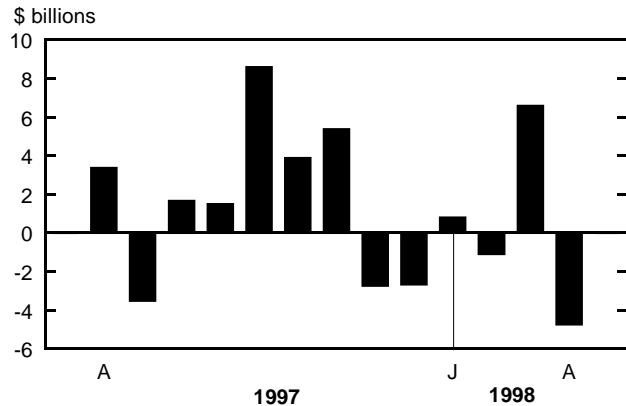
#### Related market information

**Interest rates:** In April, a marginal increase in Canadian short-term rates coupled with a small decline in similar U.S. rates combined to reduce the differential to a mere 25 basis points. Still favouring the United States, it was the lowest differential of the past two years. By contrast, the differential on long-term bond rates widened further to 30 basis points, again favouring investment in the United States.

**Stock prices:** Canadian stock prices (as measured by the TSE 300 composite index) recorded a smaller 1.4% gain in April, after rising an impressive 12.8% total over the previous two months. Likewise, U.S. stock prices (as measured by the Standard and Poor's 500 index) eked out a further 0.9% in April, following a 12.4% gain over the previous two months.

**Canadian dollar:** After sitting above the U.S. 70.0 cent level for two months, the Canadian dollar slipped in April and closed the month at U.S. 69.9 cents. The Canadian dollar also dropped against most other major currencies in April.

#### Foreign investment in Canadian securities\*



\* Includes bonds, stocks and money market paper.

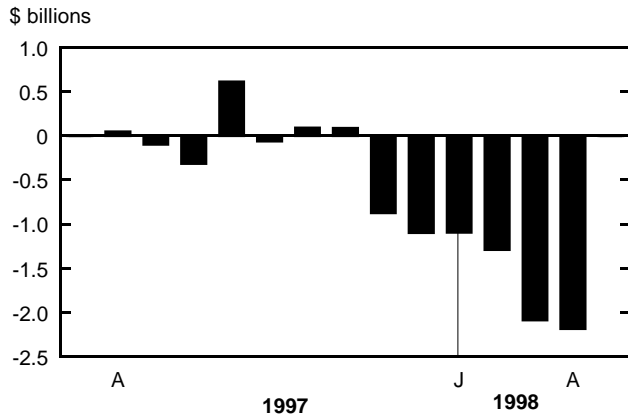
#### Canadians continued to buy foreign stocks but sold foreign bonds

Canadian residents continued their buying spree in foreign stocks, purchasing \$2.2 billion in April. This brought to \$6.7 billion their investment in the first four months of 1998 and easily surpassed the \$4.5 billion investment for all of 1997. Last year's investment was directed mostly to overseas stocks, whereas the investment so far in 1998 has been split between U.S. and overseas stocks. The erratic investment pattern of residents in foreign bonds continued in April,

as investors sold \$1.3 billion of U.S. treasuries and purchased \$0.6 billion of overseas bonds.

**Available on CANSIM: matrices 2328-2330, 2378-2380 and 4195.**

**Canadian investment in foreign stocks**



The April 1998 issue of *Canada's international transactions in securities* (67-002-XPB, \$18/\$176) will be available shortly. See *How to order publications*.

For further information on this release, contact Don Granger (613-951-1864), Balance of Payments and Financial Flows Division. □

Canada's international transactions in securities

	Jan. 1998	Feb. 1998	March 1998	April 1998	Jan. to April 1997	Jan. to April 1998
\$ millions						
<b>Foreign investment in Canadian securities, total</b>	<b>798</b>	<b>-1,097</b>	<b>6,586</b>	<b>-4,734</b>	<b>6,653</b>	<b>1,553</b>
Bonds (net)	-252	-323	3,882	-6,705	6,444	-3,398
Outstanding	-1,333	-2,476	4,453	-5,865	-3	-5,222
New Issues	1,886	5,284	4,561	2,283	11,485	14,014
Retirements	-1,054	-3,188	-4,739	-3,342	-5,410	-12,323
Change in interest payable <sup>1</sup>	248	57	-392	219	372	132
Money market paper (net)	1,120	-1,551	467	813	1,376	849
Government of Canada	-302	-1,421	-541	853	669	-1,411
Other paper	1,422	-131	1,009	-40	707	2,260
Stocks (net)	-70	778	2,236	1,159	-1,167	4,102
Outstanding (net)	-142	772	2,218	1,142	-1,966	3,990
New Issues (net)	71	6	19	17	799	112
<b>Canadian investment in foreign securities, total</b>	<b>-2,329</b>	<b>-1,272</b>	<b>-2,722</b>	<b>-1,455</b>	<b>-5,123</b>	<b>-7,778</b>
Bonds (net)	-1,231	20	-636	731	-2,284	-1,117
Stocks (net)	-1,097	-1,292	-2,086	-2,186	-2,838	-6,661

<sup>1</sup> Interest accrued less interest paid.

**Note:** A minus sign (-) indicates an outflow of money from Canada; for example, a withdrawal of foreign investment from Canada or an increase in Canadian investment abroad.



## Composite Index

May 1998

The leading indicator continued to advance by 0.5% in May, after increasing 0.4% in April. The sources of growth were widespread, as 7 of the 10 components continued to rise. Still, growth was half of its peak last year, when household and business demand for durable goods was soaring.

labour disputes dampen the chances for an imminent turnaround. New orders fell for the third month in a row. Meanwhile, the ratio of shipments to stocks has levelled off at 1.65, below its peak levels set last year. The average workweek in May contracted for the eighth straight month.

The U.S. leading indicator continued to advance steadily. However, as in Canada, growth was tempered by a slowdown in manufacturing, especially the workweek. Consumer confidence in May lost some of the ground gained in April, while stock markets slumped.

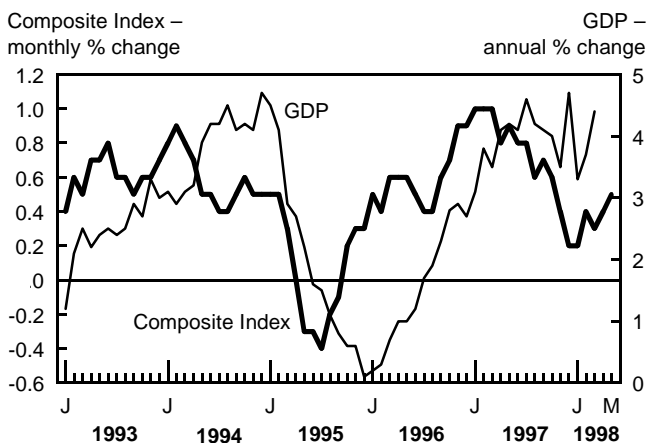
In Canada, household spending remained sluggish. Sales of durable goods were pulled down by slower auto sales. Jobs in personal services fell by 13,000 in May, bringing their total drop since January to 25,000. Meanwhile, a gradual recovery in sales of existing homes offset a drop in housing starts, and the overall housing index edged up for the third month in a row. This upturn in housing helped to boost furniture and appliance sales.

**Available on CANSIM: matrix 191.**

For further information, the June issue of *Canadian economic observer* (11-010-XPB, \$23/\$227) is now available. See *How to order publications*.

For further information on this release, contact Francine Roy (613-951-3627), Current Economic Analysis Group. □

**Composite Index**



Softening demand for durable goods slowed manufacturing, after dominating growth last year, and

## Composite Index

	Dec. 1997	Jan. 1998	Feb. 1998	March 1998	April 1998	May 1998	Last month of data available
							% change
<b>Composite leading indicator (1981=100)</b>	<b>202.0</b>	<b>202.4</b>	<b>203.2</b>	<b>203.8</b>	<b>204.7</b>	<b>205.8</b>	<b>0.5</b>
Housing index (1981=100) <sup>1</sup>	128.6	127.2	126.6	126.8	127.2	127.4	0.2
Business and personal services employment ('000)	2,172	2,188	2,205	2,222	2,237	2,250	0.6
TSE 300 stock price index (1975=1,000)	6,784	6,781	6,821	6,943	7,112	7,275	2.3
Money supply, M1 (\$ millions, 1981) <sup>2</sup>	38,041	38,342	38,807	39,125	39,452	39,860	1.0
U.S. composite leading indicator (1967=100) <sup>3</sup>	223.3	223.5	223.7	223.9	224.2	224.6	0.2
<b>Manufacturing</b>							
Average workweek (hours)	39.3	39.1	38.9	38.7	38.6	38.5	-0.3
New orders, durables (\$ millions, 1981) <sup>4</sup>	15,270	15,461	15,515	15,490	15,438	15,423	-0.1
Shipments/inventories of finished goods <sup>4</sup>	1.69	1.68	1.67	1.66	1.65	1.65	0.00 <sup>5</sup>
<b>Retail trade</b>							
Furniture and appliance sales (\$ millions, 1981) <sup>4</sup>	1,295.3	1,302.9	1,313.5	1,323.0	1,335.5	1,348.2	1.0
Other durable goods sales (\$ millions, 1981) <sup>4</sup>	4,382.5	4,398.7	4,449.4	4,484.3	4,508.0	4,519.6	0.3
Unsmoothed composite	201.4	202.8	206.3	204.7	207.6	208.8	0.6

<sup>1</sup> Composite Index of housing starts (units) and house sales (multiple listing service).

<sup>2</sup> Deflated by the Consumer Price Index for all items.

<sup>3</sup> The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the month immediately preceding.

<sup>4</sup> The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for two preceding months.

<sup>5</sup> Difference from previous month.

## OTHER RELEASES

### Employment Insurance

April 1998 (preliminary)

The estimated number of Canadians who received regular Employment Insurance (EI) benefits in April declined 1.9% to 536,520. Declines were observed in Manitoba (-5.7%), Ontario (-3.9%), Saskatchewan (-2.2%), Quebec (-1.1%), Newfoundland (-0.9%) and the Northwest Territories (-0.3%).

Regular benefit payments dropped 6.3% in April to \$679.9 million. Led by Ontario (-10.5%) and Newfoundland (-8.5%), 10 provinces and the Northwest Territories recorded declines. Nova Scotia's benefit payments were little changed from March, while the Yukon recorded an increase of 2.3%.

#### Number of beneficiaries receiving regular benefits

	April 1998	March 1998 to April 1998	% change
	seasonally adjusted		
<b>Canada</b>	<b>536,520</b>		<b>-1.9</b>
Newfoundland	33,290		-0.9
Prince Edward Island	9,150		2.5
Nova Scotia	29,110		1.7
New Brunswick	37,360		0.1
Quebec	193,640		-1.1
Ontario	119,730		-3.9
Manitoba	12,180		-5.7
Saskatchewan	9,260		-2.2
Alberta	28,270		4.4
British Columbia	69,420		2.3
Yukon	1,360		6.2
Northwest Territories	1,080		-0.3

The number of individuals who applied for Employment Insurance benefits declined 1.8% to 223,000 in April. Claims in eight provinces were down, with the most significant decline in Newfoundland (-10.4%). Despite some irregular movements, the number of persons submitting EI claims has hovered in the range of 219,000 to 250,000 since June 1996.

### Employment Insurance statistics

	March 1998	April 1998	March 1998 to April 1998
	seasonally adjusted		
			% change
Regular beneficiaries ('000)	547 <sup>P</sup>	537 <sup>P</sup>	-1.9
Regular payments (\$ millions)	725.2	679.9	-6.3
Claims ('000)	227	223	-1.8
	April 1997	April 1998	April 1997 to April 1998
	unadjusted		
			% change
All beneficiaries ('000)	883	839 <sup>P</sup>	-5.0
Regular beneficiaries ('000)	675	642 <sup>P</sup>	-4.8
Claims ('000)	212	186	-12.5
Payments (\$ millions)	1,349.8	1,174.2	-13.0
	Year-to-date (January to April)		
	1997	1998	1997 to 1998
			% change
Claims ('000)	926	901	-2.7
Payments (\$ millions)	5,115.1	4,831.8	-5.5

<sup>P</sup> Preliminary figures.

**Note:** "All beneficiaries" includes all claimants paid regular benefits (e.g., due to layoff) or special benefits (e.g., due to illness).

**Note:** The discrepancy between the estimated number of regular beneficiaries and regular payments series can be explained in part by differences in their reference periods. The number of beneficiaries is a measure of all persons who received EI benefits for the week containing the 15th of the month. The regular benefit payments series measures the total of all monies received by individuals for the entire month.

**Available on CANSIM: matrices 26 (series 1.6), 5700-5717, 5735 and 5736.**

For further information on this release, contact the Client Services unit, Labour Division (613-951-4090 or [labour@statcan.ca](mailto:labour@statcan.ca); fax: 613-951-4087). ■



## Electric lamps

May 1998

Light bulb and tube manufacturers sold 20.9 million light bulbs and tubes in May, down 1.9% from the 21.3 million a year earlier.

Year-to-date sales at the end of May 1998 totalled 119.7 million light bulbs and tubes, a decrease of 4.8% from the 125.7 million a year earlier.

The May 1998 issue of *Electric lamps* (43-009-XPB, \$7/\$62) will be available shortly. See *How to order publications*.

For further information on this release, contact Laurie Vincent (613-951-3523 or [vincwil@statcan.ca](mailto:vincwil@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## Sawmills and planing mills

April 1998

Sawmills in Canada produced 5 913.8 thousand cubic metres of lumber and ties in April 1998, down 3.6% from 6 135.6 thousand cubic metres (after revisions) produced in April 1997.

January to April 1998 production was 22 175.1 thousand cubic metres, down 0.8% from 22 366.4 thousand cubic metres (after revisions) produced over the same period in 1997.

**Available on CANSIM: matrices 53 and 122.**

The April 1998 issue of *Sawmills and planing mills* (35-003-XPB, \$12/\$114) will be available shortly. See *How to order publications*.

For further information on this release, contact Gilles Simard (613-951-3516 or [simales@statcan.ca](mailto:simales@statcan.ca)), Manufacturing, Construction, and Energy Division. ■

## PUBLICATIONS RELEASED

**Pulpwood and wood residue statistics**, April 1998  
**Catalogue number 25-001-XPB**  
(Canada: \$8/\$73; outside Canada: US\$8/US\$73).

**Mineral wool including fibrous glass insulation**,  
May 1998  
**Catalogue number 44-004-XPB**  
(Canada: \$7/\$62; outside Canada: US\$7/US\$62).

**Market research handbook**, 1998 edition  
**Catalogue number 63-224-XPB**  
(Canada: \$125; outside Canada: US\$125).

**All prices exclude sales tax.**

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; and -XPB or -XPE denote a paper version.

### How to order publications

Simplify your data search with the *Statistics Canada Catalogue* (11-204-XPE, \$16; outside Canada: US\$16).

Its keyword index will guide you to statistics on Canada's social and economic activity.

#### Order publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

**1-800-267-6677**

From other countries call:

**1-613-951-7277**

To fax your order:

**1-800-889-9734**

Address changes or account inquiries:

**1-800-700-1033**

Internet:


**order@statcan.ca**

**To order a publication by mail write:** Statistics Canada, Circulation Management, Operations and Integration Division, Ottawa, K1A 0T6.

Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

**Authorized agents and bookstores also carry Statistics Canada's catalogued publications.**

Catalogue 11-001E (F) English 11001E1315040307-0-05



Statistics Canada

Thursday, June 5, 1998  
For release at 9:30 a.m.

**MAJOR RELEASES**

- **Urban transit, 1995** 2  
Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 21.9 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1995** 4  
Growth in productivity among Canadian businesses was modest weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.

**OTHER RELEASES**

- **Map-based Index**, May 1997 3
- **Short-term Expectations Survey** 9
- **Steel primary forms, season ending May 31, 1997** 12
- **Egg production**, April 1997 13

**PUBLICATIONS RELEASED** 11

Statistics Canada / Statistique Canada

### Statistics Canada's official release bulletin

Catalogue 11-001E.

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at <http://www.statcan.ca>. To receive *The Daily* each morning by E-mail, send an E-mail message to [listproc@statcan.ca](mailto:listproc@statcan.ca). Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Duncan Currie (613-951-1103, [currdun@statcan.ca](mailto:currdun@statcan.ca))

Head of Official Release: Chantal Prévost (613-951-1088, [prevcha@statcan.ca](mailto:prevcha@statcan.ca))

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1998. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.