

DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADIAN STATISTICS
INTERNATIONAL PAYMENTS BRANCH

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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

OCTOBER, 1945.

Net sales of securities by Canada to other countries in October were \$12.5 million as compared with \$6.6 million in September and \$20.4 million in August. Sales of \$6.4 million United States stocks made up a larger part of the net capital inflow than usual.

Sales of Canadian bonds to the United States amounted to \$4.9 million on balance. Sales of Dominions were \$1.5 million, provincials \$0.9 million, Government Guarantees \$1.1 million and other corporations \$1.2 million.

Net repurchases of securities from the United Kingdom were \$1.3 million of which \$1.2 million was made up of repurchases of Canadian stocks.

There were sales of securities to other countries of \$0.1 million.

In the ten months ending October, 1945, net sales of securities to all countries were \$160.2 million compared with \$89.6 million in the corresponding period of 1944. This increase arises mainly from net sales of Canadian bonds which were \$112.8 million or \$38.5 million larger than in the same period of 1944. The remainder of the increase results chiefly from sales of Canadian stocks of \$6.0 million in 1945 compared with repurchases of \$5.3 in 1944 and from net sales of United States stocks of \$34.5 million in 1945, an increase of \$19.1 million over the same period of 1944.

In table 5 showing the index numbers of common stocks prices in Canada and the United States all groups of securities advanced to new high levels. The prices of government bonds remained relatively stable. The official buying and selling rates for foreign exchange remained at the levels fixed in September, 1939.

The international trade in securities shown by statistics in this bulletin was carried on through the medium of the investment dealers, stock exchanges, banks, Canadian branches of United States houses and other agencies in Canada. It should be noted that certain types of international security transactions are not included in these statistics. Besides some transactions carried on directly outside of Canada independently of the reporting agencies the most important group of security transactions not included are new issues of Canadian securities floated abroad, the redemption of called or matured Canadian bonds owned abroad, and official repatriation operations. For a period of years, retirements of Canadian bonds owned outside of Canada have exceeded flotations of new issues abroad by substantial amounts. Statistics of these capital movements are included in the annual reports of the Canadian Balance of International Payments.

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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

Table 1. (In millions of dollars to nearest hundred thousand)

Year and Month	Total Transactions			United States			United Kingdom			Other Countries		
	Sales to	Pur-chases from	Net Sales + Purch. -	Sales to	Pur-chases from	Net Sales + Purch. -	Sales to	Pur-chases from	Net Sales + Purch. -	Sales to	Pur-chases from	Net Sales + Purch. -
<u>1943</u>												
TOTAL	267.9	95.7	+ 172.2	264.0	83.1	+ 180.9	0.1	10.7	- 10.6	3.8	1.9	+ 1.9
August	20.5	7.3	+ 13.2	20.2	6.2	+ 14.0	(1)	1.0	- 1.0	0.3	0.1	+ 0.2
September	10.2	7.6	+ 2.6	9.8	5.3	+ 4.5	(1)	2.2	- 2.2	0.3	0.1	+ 0.2
October	27.9	6.8	+ 21.1	27.8	6.0	+ 21.8	(1)	0.7	- 0.7	0.1	0.1	-
November	12.1	5.7	+ 6.4	12.0	5.0	+ 7.0	(1)	0.6	- 0.6	0.1	0.1	-
December	17.0	9.2	+ 7.8	16.7	7.7	+ 9.0	(1)	1.4	- 1.4	0.3	0.1	+ 0.2
<u>1944</u>												
TOTAL	213.0	116.0	+ 97.0	206.3	93.4	+ 112.9	0.5	19.2	- 18.7	6.1	3.3	+ 2.8
January	16.6	10.5	+ 6.1	15.7	7.9	+ 7.8	(1)	2.1	- 2.1	0.9	0.5	+ 0.4
February	16.1	8.6	+ 7.5	15.6	6.6	+ 9.0	(1)	1.9	- 1.9	0.5	0.1	+ 0.4
March	20.4	9.7	+ 10.7	19.3	7.9	+ 11.4	(1)	1.2	- 1.2	1.1	0.6	+ 0.5
April	12.9	6.3	+ 6.6	12.8	5.8	+ 7.0	(1)	0.5	- 0.4	0.1	(1)	(1)
May	26.9	8.2	+ 18.7	26.5	6.8	+ 19.7	(1)	1.1	- 1.1	0.4	0.3	+ 0.1
June	20.5	10.3	+ 10.2	20.4	9.0	+ 11.4	(1)	1.3	- 1.3	0.2	0.1	+ 0.1
July	20.8	11.1	+ 9.7	20.0	9.7	+ 10.3	0.3	1.2	- 0.9	0.5	0.2	+ 0.3
August	18.5	10.1	+ 8.4	18.0	8.9	+ 9.1	0.1	1.0	- 0.9	0.4	0.2	+ 0.2
September	11.6	8.2	+ 3.4	11.1	6.1	+ 5.0	(1)	1.9	- 1.9	0.5	0.2	+ 0.5
October	16.1	7.9	+ 8.2	15.9	6.4	+ 9.5	(1)	1.4	- 1.4	0.2	0.1	+ 0.3
November	13.5	9.5	+ 4.0	13.0	7.3	+ 5.7	(1)	1.9	- 1.9	0.5	0.3	+ 0.2
December	18.1	15.2	+ 2.9	17.3	10.9	+ 6.4	(1)	3.5	- 3.5	0.8	0.8	-
<u>1945</u>												
TOTAL	307.4	147.2	+ 160.2	302.1	119.0	+ 183.1	0.2	25.2	- 25.0	5.1	3.0	+ 2.1
January	26.0	16.3	+ 9.7	25.5	13.8	+ 11.7	(1)	2.2	- 2.2	0.5	0.3	+ 0.2
February	27.2	15.9	+ 11.3	26.3	13.0	+ 13.3	(1)	2.3	- 2.3	0.9	0.6	+ 0.3
March	20.6	10.6	+ 10.0	20.0	9.3	+ 10.7	(1)	1.2	- 1.2	0.6	0.1	+ 0.5
April	25.8	11.7	+ 14.1	25.6	9.3	+ 16.3	(1)	2.3	- 2.3	0.2	0.1	+ 0.1
May	30.7	11.8	+ 18.9	30.5	8.5	+ 22.0	(1)	3.1	- 3.1	0.2	0.2	-
June	67.5	32.4	+ 35.1	67.2	23.9	+ 43.3	(1)	8.2	- 8.2	0.2	0.2	-
July	31.8	10.1	+ 21.7	30.5	6.6	+ 23.9	(1)	2.6	- 2.6	1.3	0.9	+ 0.4
August	29.3	8.9	+ 20.4	28.9	8.0	+ 20.9	(1)	0.6	- 0.6	0.4	0.3	+ 0.1
September	19.6	13.0	+ 6.6	19.1	11.9	+ 7.2	(1)	1.0	- 1.0	0.5	0.1	+ 0.4
October (x) ..	28.7	16.2	+ 12.5	28.3	14.6	+ 13.7	0.1	1.4	- 1.3	0.4	0.3	+ 0.1

(1) Less than 0.05

(x) Subject to revision.

Table 2

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, OCTOBER, 1945.

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Bonds & Debentures, Total	11,770,085	6,702,104	11,515,826	6,404,726	2,008	164,417	252,251	132,961
Canadian New Issues	300	-	300	-	-	-	-	-
Canadian Outstanding Issues								
Dominion	5,524,324	3,795,350	5,296,760	3,781,005	2,008	4,138	225,556	10,207
Provincial	1,255,868	463,675	1,255,868	308,622	-	53,726	-	101,327
Municipal	338,242	159,022	338,242	116,747	-	42,275	-	-
Guaranteed by the Dominion	1,165,060	107,386	1,165,060	107,386	-	-	-	-
Railway, other	154,717	219,101	154,717	215,799	-	3,302	-	-
Other Corporations	1,757,466	559,271	1,740,238	489,551	-	60,976	17,228	8,744
United States New Issues								
Government	-	483,941	-	483,033	-	-	-	908
Other	-	-	-	-	-	-	-	-
United States Outstanding Issues								
Government	517,667	556,964	517,667	556,964	-	-	-	-
Other	633,103	193,532	623,636	189,532	-	-	9,467	4,000
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	-	-	-	-	-	-	-	-
Other	13,455	-	13,455	-	-	-	-	-
Other Countries New Issues.....	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues.	162,444	25,352	162,444	17,577	-	-	-	7,775
Unspecified Bonds & Debentures...	247,439	138,510	247,439	138,510	-	-	-	-
<u>Common & Preference Stocks</u>								
Canadian	7,349,853	6,173,569	7,163,564	4,830,614	54,998	1,219,521	131,291	123,434
United States	9,323,776	2,970,336	9,321,224	2,969,539	2,552	-	-	797
United Kingdom	19,003	77,365	-	77,365	19,003	-	-	-
Other Countries	275,351	349,228	275,351	349,228	-	-	-	-
<u>Short-Term Securities (1 year or less)</u>	-	-	-	-	-	-	-	-
<u>Other Securities</u>								
Canadian	-	-	-	-	-	-	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
TOTAL	28,738,068	16,272,602	28,275,965	14,631,472	78,561	1,383,938	383,542	257,192

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, TEN MONTHS ENDING OCTOBER, 1945.

Table 2 A

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Bonds & Debentures, Total	180,867,979	60,798,883	176,484,781	52,346,540	31,153	6,040,484	4,352,045	2,411,859
Canadian New Issues	1,141,518	-	240,245	-	-	-	901,273	-
Canadian Outstanding Issues								
Dominion	93,652,103	32,212,219	90,324,468	30,767,280	2,008	627,768	3,325,627	817,171
Provincial	21,439,233	4,102,127	21,436,748	2,301,310	-	1,629,898	2,485	170,919
Municipal	7,832,084	2,378,256	7,832,084	1,604,744	-	773,512	-	-
Guaranteed by the Dominion ..	12,440,043	1,300,092	12,433,691	387,240	-	38,443	6,352	874,409
Railway, other	5,143,629	1,091,322	5,140,734	881,739	2,895	209,583	-	-
Other Corporations	19,400,589	7,102,151	19,306,202	3,909,491	11,165	2,695,892	83,222	496,768
United States New Issues								
Government	-	917,152	-	916,244	-	-	-	908
Other	-	773,478	-	773,478	-	-	-	-
United States Outstanding Issues								
Government	4,651,400	3,941,229	4,651,400	3,941,229	-	-	-	-
Other	6,817,929	2,175,942	6,808,210	2,137,746	-	9,690	9,719	28,506
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	136,571	69,784	122,206	69,784	14,365	-	-	-
Other	333,917	28,910	333,197	16,404	720	12,506	-	-
Other Countries New Issues ...	-	45,700	-	45,700	-	-	-	-
Other Countries Outstanding Issues	2,202,189	1,192,391	2,178,822	1,126,021	-	43,192	23,367	23,178
Unspecified Bonds & Debentures	5,676,774	3,468,130	5,676,774	3,468,130	-	-	-	-
Common & Preference Stocks								
Canadian	65,330,231	59,274,051	64,512,255	39,842,612	126,231	18,840,222	691,745	591,217
United States	60,845,467	26,335,577	60,799,784	26,269,601	13,490	19,625	32,193	46,351
United Kingdom	88,816	341,827	57,255	86,810	23,745	252,985	7,816	2,032
Other Countries	287,918	353,783	287,918	351,513	-	1,135	-	1,135
Short-Term Securities (1 year or less)	-	91,228	-	91,228	-	-	-	-
Other Securities								
Canadian	-	-	-	-	-	-	-	-
United States	9,667	-	9,667	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
TOTAL	307,430,078	147,195,349	302,151,660	118,988,304	194,619	25,154,451	5,083,799	3,052,594

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
(SUMMARY TABLE) OCTOBER, 1945.

Table 3

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Canadian Securities, Total ..	17,545,830	11,477,374	17,114,749	9,849,724	57,006	1,383,938	374,075	243,712
Bonds & Debentures	10,195,977	5,303,805	9,951,185	5,019,110	2,008	164,417	242,784	120,278
Common & Preference Stocks .	7,349,853	6,173,569	7,163,564	4,830,614	54,998	1,219,521	131,291	123,434
Other Securities	-	-	-	-	-	-	-	-
United States Securities, Total	10,474,546	4,204,773	10,462,527	4,199,068	2,552	-	9,467	5,705
Bonds & Debentures	1,150,770	1,234,437	1,141,303	1,229,529	-	-	9,467	4,908
Common & Preference Stocks .	9,323,776	2,970,336	9,321,224	2,969,539	2,552	-	-	797
Other Securities	-	-	-	-	-	-	-	-
United Kingdom Securities,								
Total	32,458	77,365	13,455	77,365	19,003	-	-	-
Bonds & Debentures	13,455	-	13,455	-	-	-	-	-
Common & Preference Stocks .	19,003	77,365	-	77,365	19,003	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Other Countries Securities,								
Total	437,795	374,580	437,795	366,805	-	-	-	7,775
Bonds & Debentures	162,444	25,352	162,444	17,577	-	-	-	7,775
Common & Preference Stocks .	275,351	349,228	275,351	349,228	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Short-Term Securities (1 year or less)	-	-	-	-	-	-	-	-
Unspecified Bonds & Debentures	247,439	138,510	247,439	138,510	-	-	-	-
TOTAL	28,738,068	16,272,602	28,275,965	14,631,472	78,561	1,383,933	383,542	257,192

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
FOR THE TEN MONTHS ENDING OCTOBER, 1945.

Table 3 A

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Canadian Securities, Total ..	226,379,430	107,460,218	221,226,427	79,694,416	142,299	24,815,318	5,010,704	2,950,484
Bonds & Debentures	161,049,199	48,186,167	156,714,172	39,851,804	16,068	5,975,096	4,318,959	2,359,267
Common & Preference Stocks ..	65,330,231	59,274,051	64,512,255	39,842,612	126,231	18,840,222	691,745	591,217
Other Securities	-	-	-	-	-	-	-	-
United States Securities,								
Total	72,324,463	34,143,378	72,269,061	34,038,298	13,490	29,315	41,912	75,765
Bonds & Debentures	11,469,329	7,807,801	11,459,610	7,768,697	-	9,690	9,719	29,414
Common & Preference Stocks ..	60,845,467	26,335,577	60,799,784	26,269,601	13,490	19,625	32,193	46,351
Other Securities	9,667	-	9,667	-	-	-	-	-
United Kingdom Securities,								
Total	559,304	440,521	512,658	172,998	38,830	265,491	7,816	2,032
Bonds & Debentures	470,488	98,694	455,403	86,188	15,085	12,506	-	-
Common & Preference Stocks..	88,816	341,827	57,255	86,810	23,745	252,985	7,816	2,032
Other Securities	-	-	-	-	-	-	-	-
Other Countries Securities,								
Total	2,490,107	1,591,874	2,466,740	1,523,234	-	44,327	23,367	24,313
Bonds & Debentures	2,202,189	1,238,091	2,178,822	1,171,721	-	43,192	23,367	23,178
Common & Preference Stocks..	287,918	353,783	287,918	351,513	-	1,135	-	1,135
Other Securities	-	-	-	-	-	-	-	-
Short-Term Securities (1 year or less)	-	91,228	-	91,228	-	-	-	-
Unspecified Bonds & Debentures	5,676,774	3,468,130	5,676,774	3,468,130	-	-	-	-
TOTAL	307,430,078	147,195,349	302,151,660	118,988,304	194,619	25,154,451	5,083,799	3,052,594

BID PRICE AND YIELD FOR DOMESTIC GOVERNMENT BONDS IN UNITED KINGDOM,
UNITED STATES AND CANADA

Table 4.

		United Kingdom		United States			Dominion of Canada	
		3½ War Loan Callable on or after Dec. 1, 1952 +		3% of Sept. 15 1955, callable on or after Sept. 15, 1951			3% of June 1, 1955, callable on or after June 1, 1950.	
		Price	Yield	Price	Yield	Tax Equiv.x	Price	Yield
<u>1943</u>								
July	14 ...	103.53	3.06	112.06	1.43	2.37	100.25	2.96
August	18 ...	102.88	3.14	111.75	1.45	2.39	100.38	2.94
September	15 ...	102.74	3.16	111.72	1.44	2.38	100.38	2.94
October	13 ...	103.53	3.05	111.66	1.44	2.38	100.38	2.94
November	17 ...	103.44	3.06	111.34	1.46	2.40	100.38	2.94
December	15 ...	103.18	3.09	111.03	1.49	2.43	100.50	2.92
<u>1944</u>								
January	19 ...	103.16	3.09	111.06	1.47	2.41	100.88	2.85
February	16 ...	103.14	3.09	111.16	1.44	2.38	101.25	2.78
March	15 ...	102.93	3.11	111.34	1.40	2.34	101.38	2.76
April	19 ...	102.91	3.11	111.31	1.39	2.33	101.25	2.78
May	17 ...	103.33	3.05	111.25	1.38	2.34	101.25	2.77
June	14 ...	103.19	3.07	111.13	1.38	2.34	101.25	2.77
July	19 ...	103.10	3.08	111.19	1.38	2.32	101.25	2.77
August	16 ...	103.02	3.08	111.09	1.35	2.31	101.38	2.74
September	13 ...	103.31	3.04	110.56	1.42	2.38	101.50	2.71
October	18 ...	103.42	3.02	110.53	1.40	2.36	101.38	2.73
November	15 ...	104.09	2.93	110.38	1.40	2.36	101.38	2.73
December	13 ...	103.88	2.95	110.63	1.35	2.31	101.75	2.65
<u>1945</u>								
January	17 ...	104.11	2.91	111.28	1.23	2.19	101.75	2.64
February	14 ...	104.28	2.88	111.53	1.18	2.14	102.00	2.59
March	14 ...	104.01	2.92	111.97	1.09	2.05	102.25	2.54
April	18 ...	104.18	2.89	111.91	1.07	2.03	102.38	2.50
May	16 ...	103.90	2.92	111.66	1.09	2.05	102.38	2.50
June	13 ...	103.69	2.95	111.56	1.08	2.04	102.85	2.39
July	18 ...	103.55	2.96	111.66	1.04	2.00	103.20	2.30
August	15 ...	103.73	2.93	111.13	1.10	2.06	103.25	2.28
September	19 ...	103.51	2.96	110.56	1.17	2.13	103.35	2.25
October	17 ...	103.18	3.00	110.97	1.08	2.04	103.40	2.22

+ All prices are quoted on an "and interest" basis. The price of the United Kingdom War Loan has been adjusted from the "flat" basis on which it is quoted in London.

x Yield on a comparable taxable security which would give an equivalent net return to holders who were subject to income tax at the flat corporation rates. This rate was 16½% to December 31, 1939; 18% to June, 1940; and 20.9% to July, August and September; and 24% in October and thereafter.



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INDEX NUMBERS OF COMMON STOCKS PRICES IN CANADA

AND THE UNITED STATES

(1935-39=100)

Table 5

	C A N A D A			United States (402) (Standard & Poor's Corp.) (354 Industrials 20 Railroads 28 Utilities)
	Dominion Bureau of Statistics			
	Investors' Price Index (95) (68 Industrials 19 Utilities 8 Banks)	Mining Stocks		
Gold Stocks (22)		Composite Mining Index (25)		
<u>1943</u>				
April	82.6	59.0	68.6	91.3
May	83.7	56.6	66.9	95.2
June	86.3	59.1	68.4	96.7
July	91.0	62.8	71.5	98.5
August	88.9	66.4	75.1	94.4
September	89.3	71.9	79.2	95.6
October	86.4	68.5	77.2	94.8
November	79.6	65.9	72.9	91.4
December	80.5	68.5	74.9	91.8
<u>1944</u>				
January	81.5	72.2	78.5	94.6
February	82.0	71.3	77.5	94.4
March	81.5	70.1	76.0	96.6
April	79.3	70.4	78.0	95.1
May	79.9	69.2	77.5	97.2
June	83.7	74.1	82.2	101.5
July	87.5	80.0	87.3	104.3
August	86.8	78.4	85.3	102.7
September	85.0	77.4	84.9	100.7
October	86.2	75.6	84.1	103.5
November	86.0	75.9	83.1	102.7
December	86.6	74.4	80.6	104.7
<u>1945</u>				
January	89.4	80.5	85.6	108.4
February	92.9	87.3	91.7	113.0
March	93.2	84.7	89.8	111.8
April	94.2	85.3	90.5	114.4
May	97.2	90.6	94.3	118.2
June	102.5	92.2	96.5	120.7
July	100.5	88.0	93.1	118.4
August	99.6	89.7	93.7	117.9
September	102.0	91.2	94.5	126.1
October	104.2	96.2	98.8	132.0