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DEPARTMENT OF TRADE AND COMMERCE
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 INTERNATIONAL PAYMENTS BRANCH

**DOMINION BUREAU
 OF STATISTICS**

Dominion Statistician

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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

MARCH, 1946

The total net inflow of capital to Canada arising from net sales of securities by Canada to other countries was \$20.2 million in March as compared with \$34.9 million in February and \$17.7 million in January. Net sales, both to all countries and to the United States, were higher than in any other quarter year except the period from May to July 1945. Net sales of Dominion bond issues were \$13.6 million, with Canadian and United States stocks contributing \$2.0 million and \$2.8 million respectively.

Net sales of securities to the United States were \$23.1 million. Sales of Canadian bonds to the United States amounted to \$16.3 million on balance. Sales of Dominions were \$13.4 million, other corporations \$1.4 million and provincials \$0.9 million. Net sales of Canadian stocks of \$4.3 million to the United States were partly offset by repurchases from the United Kingdom of \$2.4 million. There were net sales of United States stocks of \$2.8 million.

Net repurchases from the United Kingdom were \$3.2 million; \$2.4 million repurchases of Canadian stocks, most of the remainder divided between other corporation and municipal bonds.

The trade with other countries was small with net sales of \$0.3 million.

During the first quarter of 1946 net sales of securities to all countries amounted to \$72.8 million compared with \$31.0 million for the same period of 1945. The increase resulted chiefly from higher net sales of Canadian bonds, which were \$63.8 million in 1946 as compared with \$17.7 million in 1945. Net sales of Canadian stocks were \$1.9 million lower in the first quarter of 1946 and during the same period of 1946 net sales of United States bonds were \$2.6 million lower than in 1945.

In table 5 showing the index numbers of common stocks prices in Canada and the United States, there were sharp drops in the Canadian mining stocks while Canadian and United States industrials declined slightly.

In table 4 showing quotations and yields for domestic government bonds in Canada, the United Kingdom and the United States prices continued to rise, but more moderately than in the two preceding months.

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
(In millions of dollars to nearest hundred thousand)

Table 1.

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>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
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	386.4	195.4	+191.0	380.1	158.0	+ 222.1	0.4	33.9	- 33.5	5.9	3.5	+ 2.4
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	26.5	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	50.7	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	28.7	16.2	+ 12.5	28.3	14.6	+ 13.7	0.1	1.4	- 1.3	0.4	0.3	+ 0.1
November	43.0	23.8	+ 19.2	42.7	19.7	+ 23.0	0.1	3.9	- 3.8	0.1	0.1	-
December	36.0	24.4	+ 11.6	35.3	19.3	+ 16.0	0.1	4.8	- 4.7	0.6	0.3	+ 0.3
<u>1946</u>												
TOTAL	155.7	82.9	+ 72.8	153.6	66.6	+ 87.0	0.4	15.0	- 14.6	1.8	1.4	+ 0.4
January	50.9	33.2	+ 17.7	50.0	25.3	+ 24.7	0.1	7.2	- 7.1	0.8	0.7	+ 0.1
February	65.8	30.9	+ 34.9	65.1	25.9	+ 39.2	0.2	4.5	- 4.3	0.4	0.4	-
March (x)....	39.0	18.8	+ 20.2	38.4	15.3	+ 23.1	0.1	3.3	- 3.2	0.5	0.2	+ 0.3

(1) Less than 0.05

(x) Subject to revision.

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, MARCH, 1946.

Table 2

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases	Sales to	Purchases from
Bonds & Debentures, Total	\$ 23,517,011	\$ 7,949,654	\$ 23,056,360	\$ 6,914,277	\$ 26,851	\$ 892,536	\$ 433,800	\$ 142,841
Canadian New Issues	6,000	-	6,000	-	-	-	-	-
Canadian Outstanding Issues -								
Dominion	18,765,880	5,150,611	18,339,557	4,930,270	-	151,835	426,323	68,508
Provincial	1,030,942	175,967	1,029,807	135,122	-	40,845	1,135	-
Municipal	452,856	333,362	452,856	34,143	-	299,219	-	-
Guaranteed by the Dominion	197,350	130,929	197,350	122,998	-	-	-	7,931
Railway, other	143,947	20,347	143,947	10,924	-	9,423	-	-
Other Corporations	1,641,562	740,899	1,635,220	283,413	-	391,216	6,342	66,270
United States New Issues -								
Government	-	564,948	-	564,948	-	-	-	-
Other	-	-	-	-	-	-	-	-
United States Outstanding Issues -								
Government	464,429	328,665	464,429	328,665	-	-	-	-
Other	458,768	85,567	458,768	85,435	-	-	-	132
United Kingdom New Issues -								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues -								
Government	26,851	-	-	-	26,851	-	-	-
Other	278	-	278	-	-	-	-	-
Other Countries New Issues	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues ...	86,030	17,572	86,030	17,572	-	-	-	-
Unspecified Bonds & Debentures	242,118	400,787	242,118	400,787	-	-	-	-
<u>Common & Preference Stocks</u>								
Canadian	9,628,001	7,659,850	9,494,751	5,195,187	47,823	2,408,063	85,427	56,600
United States	5,856,512	3,083,968	5,856,512	3,081,369	-	-	-	2,599
United Kingdom	37,900	111,916	37,900	111,916	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
Short-Term Securities (1 year or less)	-	-	-	-	-	-	-	-
<u>Other Securities</u>								
Canadian	1,246	3,988	1,246	-	-	3,988	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
TOTAL	39,040,670	18,809,376	38,446,769	15,302,749	74,674	3,304,587	519,227	202,040

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, THREE MONTHS ENDING MARCH, 1946.

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	\$ 89,897,025	\$ 27,611,384	\$ 88,503,353	\$ 24,604,227	\$ 299,104	\$ 2,339,789	\$ 1,094,568	\$ 667,368
Canadian New Issues	61,293	-	43,387	-	-	-	17,906	-
Canadian Outstanding Issues								
Dominion	69,757,299	16,869,216	68,876,453	16,481,881	-	168,473	880,846	218,862
Provincial	6,456,735	1,223,349	6,367,231	439,655	831	723,973	88,673	59,723
Municipal	1,496,715	681,566	1,496,715	84,485	-	597,081	-	-
Guaranteed by the Dominion	1,296,424	234,061	1,296,424	162,515	-	20,826	-	50,720
Railway, other	713,034	167,048	713,034	155,767	-	13,281	-	-
Other Corporations.....	5,418,067	2,188,747	5,116,212	1,121,527	199,500	791,812	102,355	275,408
United States New Issues -								
Government	-	2,969,518	-	2,969,518	-	-	-	-
Other	-	-	-	-	-	-	-	-
United States Outstanding Issues -								
Government	889,315	979,515	889,315	979,515	-	-	-	-
Other	1,926,240	690,967	1,926,240	666,921	-	-	-	24,046
United Kingdom New Issues -								
Government	-	370,422	-	370,422	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	163,568	-	70,148	-	93,420	-	-	-
Other	77,381	3,541	72,028	3,441	5,353	100	-	-
Other Countries New Issues	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues	316,628	345,379	311,840	282,527	-	24,243	4,788	38,609
Unspecified Bonds & Debentures ...	1,324,326	888,055	1,324,326	888,055	-	-	-	-
<u>Common & Preference Stocks</u>								
Canadian	39,375,602	37,511,444	38,584,069	24,212,470	129,253	12,594,160	662,280	704,814
United States	25,297,667	16,602,152	25,297,667	16,557,497	-	35,520	-	9,135
United Kingdom	54,700	151,154	54,700	151,154	-	-	-	-
Other Countries	5,326	6,750	5,326	4,716	-	-	-	2,034
Short-Term Securities (1 year or less)	-	-	-	-	-	-	-	-
<u>Other Securities</u>								
Canadian	5,077	11,071	5,077	7,083	-	3,988	-	-
United States	1,111,118	1,025,246	1,111,118	1,025,246	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
TOTAL	155,746,515	82,919,201	153,561,310	66,562,393	428,357	14,973,457	1,756,848	1,383,351

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
(SUMMARY TABLE) MARCH, 1946

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	31,857,784	14,215,953	31,300,734	10,712,057	47,823	3,304,587	519,227	199,309
Bonds & Debentures	22,238,537	6,552,115	21,804,757	5,516,870	-	892,536	433,800	142,709
Common & Preference Stocks ...	9,628,001	7,659,850	9,494,751	5,195,187	47,823	2,408,063	85,427	56,600
Other Securities	1,246	3,988	1,246	-	-	3,988	-	-
United States Securities,								
Total	6,779,709	4,063,148	6,779,709	4,060,417	-	-	-	2,751
Bonds & Debentures	923,197	979,180	923,197	979,048	-	-	-	132
Common & Preference Stocks ..	5,856,512	3,083,968	5,856,512	3,081,369	-	-	-	2,599
Other Securities	-	-	-	-	-	-	-	1
United Kingdom Securities ,								
Total	65,029	111,916	38,178	111,916	26,851	-	-	-
Bonds & Debentures	27,129	-	278	-	26,851	-	-	-
Common & Preference Stocks ...	37,900	111,916	37,900	111,916	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Other Countries Securities,								
Total	86,030	17,572	86,030	17,572	-	-	-	-
Bonds & Debentures	86,030	17,572	86,030	17,572	-	-	-	-
Common & Preference Stocks ...	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Short-Term Securities (1 year or less)	-	-	-	-	-	-	-	-
Unspecified Bonds & Debentures	242,118	400,787	242,118	400,787	-	-	-	-
TOTAL	39,040,670	18,809,376	38,446,769	15,302,749	74,674	3,304,587	519,227	202,040

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
FOR THE THREE MONTHS ENDING MARCH, 1946

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 ..	124,580,246	58,886,502	122,498,602	42,663,381	329,584	14,913,594	1,752,030	1,309,527
Bonds & Debentures	85,199,567	21,363,987	83,909,456	18,443,828	200,331	2,315,446	1,089,780	604,713
Common & Preference Stocks .	39,375,602	37,511,444	38,584,069	24,212,470	129,253	12,594,160	662,280	704,814
Other Securities	5,077	11,071	5,077	7,083	-	3,988	-	-
United States Securities,								
Total	29,224,340	22,267,398	29,224,340	22,198,697	-	35,520	-	33,181
Bonds & Debentures	2,815,555	4,640,000	2,815,555	4,615,954	-	-	-	24,046
Common & Preference Stocks.	25,297,667	16,602,152	25,297,667	16,557,497	-	35,520	-	9,135
Other Securities	1,111,118	1,025,246	1,111,118	1,025,246	-	-	-	-
United Kingdom Securities,								
Total	295,649	525,117	196,876	525,017	98,773	100	-	-
Bonds & Debentures	240,949	373,963	142,176	373,863	98,773	100	-	-
Common & Preference Stocks .	54,700	151,154	54,700	151,154	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Other Countries Securities,								
Total	321,954	352,129	317,166	287,243	-	24,243	4,788	40,643
Bonds & Debentures	316,628	345,379	311,840	282,527	-	24,243	4,788	38,609
Common & Preference Stocks .	5,326	6,750	5,326	4,716	-	-	-	2,034
Other Securities	-	-	-	-	-	-	-	-
Short-Term Securities (1 Year or less)	-	-	-	-	-	-	-	-
Unspecified Bonds & Debentures	1,324,326	888,055	1,324,326	888,055	-	-	-	-
TOTAL	155,746,515	82,919,201	153,561,310	66,562,393	428,357	14,973,457	1,756,848	1,383,351

QUOTATION AND YIELD FOR DOMESTIC GOVERNMENT BONDS

IN CANADA, THE UNITED KINGDOM AND UNITED STATES

Table 4

	CANADA		UNITED KINGDOM		UNITED STATES	
	3% due Feb. 1, 1959-62		3% due April 15, 1959-69		U. S. Treasury $2\frac{1}{2}\%$ due Dec. 15, 1963-68	
	Price	Yield	Price	Yield	Price	Yield
<u>1945</u>						
January	99.88	3.01	100.21	2.98	100.97	2.44
February	99.88	3.01	100.53	2.95	101.81	2.38
March	99.97	3.00	100.83	2.93	101.47	2.40
April	99.94	3.01	100.79	2.93	101.47	2.40
May	99.94	3.01	100.42	2.96	101.59	2.39
June	100.10	2.99	100.36	2.97	102.22	2.35
July	100.38	2.97	100.39	2.97	102.47	2.33
August	100.38	2.97	100.39	2.97	102.26	2.35
September ...	100.38	2.97	100.68	2.94	102.03	2.36
October	100.38	2.97	100.82	2.93	102.30	2.34
November	100.56	2.95	100.79	2.93	102.37	2.34
December	101.53	2.86	100.58	2.95	102.45	2.33
<u>1946</u>						
January	102.74	2.75	101.94	2.82	104.69	2.18
February	104.19	2.62	103.08	2.72	106.23	2.08
March	104.89	2.55	103.51	2.68	106.77	2.04

The above prices are the averages of business days during each month.



INDEX NUMBERS OF COMMON STOCKS PRICES IN CANADA AND

THE UNITED STATES

(1935-1939=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		Composite Mining Index (25)		
	Investors' Price Index (95) (68 Industrials 19 Utilities 8 Banks)	Mining Stocks Gold Stocks (22)			
1939 - December	101.2	105.0	142.4	94.2	
1940 - December	77.1	88.2	115.0	80.4	
1941 - December	67.2	52.2	63.2	71.8	
1942 - December	71.3	44.7	54.7	74.7	
1943 - December	80.5	68.5	74.9	91.8	
1944					
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	
1945					
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	
November	107.2	102.3	105.5	136.9	
December	112.5	104.0	108.2	139.7	
1946					
January	123.5	107.2	114.9	144.8	
February	121.8	111.6	116.9	143.3	
March	119.2	101.3	108.4	141.8	