

Published by Authority of the HON. JAMES A. MACKINNON, M.P. 2-4020
Minister of Trade and Commerce August, 1947

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

PROPERTY OF THE
LIBRARY

NOV 1947

Herbert Marshall
C. D. Blyth

Dominion Statistician:

Chief, International Payments Branch:

Vol. 13

No. 8

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
August, 1947

The volume of trade in securities between Canada and all other countries during August registered a minor increase over July. Total sales dropped by \$0.6 million to \$10.9 million (the lowest monthly figure since September, 1943), while purchases were \$2.0 million higher at \$13.2 million.

In trade with the U.S.A., net purchases of \$1.4 million more than offset the sales balance of July, on account of an abrupt increase of \$2.5 million in total purchases while total sales remained almost the same. Dominion bonds were the major factor in both totals: sales of these bonds were \$3.1 million (up \$1.8 million from July) and purchases \$4.4 million (up \$3.3 million). Sales of Canadian stocks dropped \$0.7 million and of U.S. stocks \$0.6 million, but purchases of both these types of securities remained close to the July level.

Trade with the United Kingdom was little more than half that of the previous month, sales and purchases each falling by about half a million dollars to produce a purchase balance of \$1.1 million, the same as in July.

Gross trade with other countries was about the same as in July, with a small total of transactions resulting in net sales of \$0.1 million.

The eight months ending August, 1947 provided a total purchase balance of \$9.5 million, as against net sales of \$131.0 million during the period January to August, 1946. (It may be noted here that August, 1946 was the last of an unbroken series of months showing sales balances, which commenced in October, 1939.) Total bond sales exceeded purchases by \$17.1 million, with Canadian corporation bonds (net sales \$11.5 million) the weightiest factor. Net repurchases of Canadian stocks totalled \$16.0 million, and net purchases of U.S. stocks \$1.7 million.

Table 4 shows a small decline in the quotation for a typical Dominion bond during August, while U.S. bonds advanced slightly and U.K. bonds fell over 3 points.

The composite index of 100 Canadian common stocks, shown in Table 5, receded almost 2 points in August, and the U.S. common stocks index 1.5 points. A rise of 1.7 points in golds was a major factor in advancing the index for Canadian mines as a whole by 1.2 points to the highest level since February.

Statistics in this bulletin cover transactions reported by investment firms, stock exchanges and other security dealers in Canada. Not included are: new issues of Canadian securities floated abroad, redemptions of called or matured Canadian bonds owned abroad, and some transactions by other than the reporting agencies. Complete statistics regarding capital movements are included in the annual reports on the Canadian Balance of International Payments.

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

Table 1.

(In millions of dollars to nearest hundred thousand)

	Total Transactions			United States			United Kingdom			Other Countries		
	Sales	Pur- chases	Net Sales + Purch.-	Sales	Pur- chases	Net Sales + Purch.-	Sales	Pur- chases	Net Sales + Purch.-	Sales	Pur- chases	Net Sales + Purch.-
1945												
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
August	29.3	8.9	+ 20.4	28.9	8.0	+ 20.9	-	0.6	- 0.6	0.4	0.3	+ 0.1
September ..	19.6	13.0	+ 6.6	19.1	11.9	+ 7.2	-	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
1946												
TOTAL	415.8	281.2	+ 134.6	405.0	234.8	+ 170.2	4.2	39.6	- 33.4	6.5	6.7	- 0.2
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	39.0	18.8	+ 20.2	38.4	15.3	+ 23.1	0.1	3.3	- 3.2	0.5	0.2	+ 0.3
April	37.9	24.9	+ 13.0	37.1	20.0	+ 17.1	0.2	4.4	- 4.2	0.6	0.5	+ 0.1
May	30.0	19.5	+ 10.5	29.4	16.2	+ 13.2	0.5	3.1	- 2.6	0.1	0.2	- 0.1
June	41.4	19.1	+ 22.3	39.3	15.1	+ 24.2	0.8	2.9	- 2.1	1.3	1.1	+ 0.2
July	28.0	19.7	+ 8.3	27.0	17.4	+ 9.6	0.3	1.8	- 1.5	0.7	0.5	+ 0.2
August	23.7	19.6	+ 4.1	23.1	16.2	+ 6.9	0.1	1.8	- 1.7	0.5	1.6	- 1.1
September ..	32.0	32.4	- 0.4	30.9	27.1	+ 3.8	0.8	4.8	- 4.0	0.4	0.5	- 0.1
October ...	22.7	20.9	+ 1.8	21.7	18.2	+ 3.5	0.5	2.3	- 1.8	0.4	0.3	+ 0.1
November ..	21.7	16.7	+ 5.0	21.0	15.1	+ 5.9	0.5	1.5	- 1.0	0.2	0.1	+ 0.1
December ..	22.7	25.5	- 2.8	22.1	23.1	- 1.0	0.2	1.9	- 1.7	0.4	0.5	- 0.1
1947												
TOTAL	139.2	148.7	- 9.5	130.2	135.5	- 5.3	2.7	9.0	- 6.3	6.3	4.3	+ 2.0
January ...	28.3	25.1	+ 3.2	24.9	22.6	+ 2.3	0.8	1.3	- 0.5	2.6	1.2	+ 1.4
February ..	24.9	24.9	0.0	23.4	22.5	+ 0.9	0.3	1.3	- 1.0	1.2	1.1	+ 0.1
March	24.1	32.3	- 8.2	22.7	30.7	- 8.0	0.4	0.9	- 0.5	0.9	0.7	+ 0.2
April	12.5	12.5	0.0	11.9	11.2	+ 0.7	0.2	0.8	- 0.6	0.4	0.5	- 0.1
May	16.0	17.3	- 1.3	15.2	15.9	- 0.7	0.2	1.1	- 0.9	0.6	0.3	+ 0.3
June	11.0	12.2	- 1.2	10.8	11.3	- 0.5	0.1	0.6	- 0.5	0.1	0.3	- 0.2
July	11.5	11.2	+ 0.3	10.7	9.4	+ 1.3	0.6	1.7	- 1.1	0.3	0.1	+ 0.2
August	10.9	13.2	- 2.3	10.6	11.9	- 1.4	0.1	1.2	- 1.1	0.2	0.1	+ 0.1

N.B. As above figures are rounded, totals do not necessarily equal the sum of their component parts.

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, AUGUST, 1947

Table 2

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Bonds and Debentures, Total	6,201,450	7,054,238	6,064,293	6,542,012	33,339	428,765	103,818	83,461
Canadian New Issues	5,117	-	5,117	-	-	-	-	-
Canadian Outstanding Issues -								
Dominion	3,150,867	4,447,638	3,124,331	4,385,034	-	9,428	26,536	53,176
Provincial	106,817	102,717	106,817	58,468	-	37,629	-	6,620
Municipal	296,223	190,753	296,223	61,248	-	128,920	-	585
Guaranteed by the Dominion	122,556	23,852	122,556	23,852	-	-	-	-
Railway, Other	346,280	55,354	346,280	55,354	-	-	-	-
Other Corporations	265,761	315,509	189,000	250,903	-	45,810	76,761	18,796
United States New Issues -								
Government	-	258,368	-	258,368	-	-	-	-
Other	-	194,076	-	194,076	-	-	-	-
United States Outstanding Issues -								
Government	674,504	412,873	674,504	408,230	-	4,643	-	-
Other	169,152	175,157	169,152	170,873	-	-	-	4,284
United Kingdom New Issues -								
Government	-	180,224	-	-	-	180,224	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues -								
Government	56,189	-	24,390	-	31,799	-	-	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues	126,258	95,907	124,197	73,796	1,540	22,111	521	-
Unspecified Bonds and Debentures	881,726	601,810	881,726	601,810	-	-	-	-
Common and Preference Stocks								
Canadian	2,837,766	4,114,578	2,650,259	3,353,679	66,214	714,442	121,293	46,457
United States	1,819,176	2,068,205	1,817,201	2,044,731	-	23,474	1,975	-
United Kingdom	16,360	-	-	-	16,360	-	-	-
Other Countries	-	-	-	-	-	-	-	-
Short-Term Securities (1 year or less)	25,000	-	25,000	-	-	-	-	-
Other Securities -								
Canadian	3,464	1,397	3,464	1,397	-	-	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
TOTAL	10,903,216	13,238,418	10,560,217	11,941,819	115,913	1,166,681	227,086	129,918

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, EIGHT MONTHS ENDING AUGUST, 1947
Table 2A

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Bonds and Debentures, Total .	86,382,952	79,433,123	80,132,161	71,438,047	1,413,212	4,703,243	4,837,579	3,291,833
Canadian New Issues	3,135,421	-	2,889,218	-	-	-	246,203	-
Canadian Outstanding Issues -								
Dominion	35,773,432	38,419,190	34,290,884	37,144,849	306,511	166,465	1,176,037	1,107,876
Provincial	5,364,125	7,428,538	5,359,241	6,009,756	988	1,038,354	3,896	380,428
Municipal	4,856,845	4,905,315	4,803,971	3,796,301	37,797	1,088,937	10,077	20,077
Guaranteed by the Dominion	2,353,413	2,863,665	2,103,608	2,835,788	3,671	4,034	246,134	23,843
Railway, Other	2,478,569	1,752,538	1,888,305	1,245,611	301,042	475,679	289,222	31,248
Other Corporations	17,734,020	6,244,736	14,565,508	3,045,972	328,227	1,533,528	2,840,285	1,665,236
United States New Issues -								
Government	-	1,885,894	-	1,885,894	-	-	-	-
Other	-	436,432	-	436,432	-	-	-	-
United States Outstanding								
Issues -								
Government	5,618,281	4,931,714	5,618,281	4,927,071	-	4,643	-	-
Other	2,711,086	2,127,306	2,702,309	2,110,765	8,777	4,870	-	11,671
United Kingdom New Issues -								
Government	-	185,341	-	-	-	185,341	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding								
Issues -								
Government	515,803	18,069	175,576	-	340,227	18,069	-	-
Other	106,938	563	28,743	-	78,195	563	-	-
Other Countries New Issues ..	-	2,148	-	-	-	-	-	2,148
Other Countries Outstanding								
Issues	1,622,943	1,362,238	1,589,441	1,228,223	7,777	95,671	25,725	38,344
Unspecified Bonds and								
Debentures	4,112,076	6,869,436	4,112,076	6,771,385	-	87,089	-	10,962
Common and Preference Stocks								
Canadian	30,811,143	46,769,430	28,183,786	41,648,944	1,200,588	4,175,147	1,426,769	945,339
United States	20,662,864	22,395,058	20,638,339	22,300,282	6,114	84,708	18,411	10,068
United Kingdom	101,264	93,909	26,775	91,844	74,489	2,065	-	-
Other Countries	1,062,078	20,335	1,050,138	6,794	1,824	49	10,116	13,492
Short-Term Securities								
(1 Year or less)	84,963	20,596	84,963	20,596	-	-	-	-
Other Securities								
Canadian	77,252	13,359	77,252	11,609	-	-	-	1,750
United States	48,464	-	48,464	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
TOTAL	139,230,980	148,745,810	130,241,878	135,518,116	2,696,227	8,965,212	6,292,875	4,262,482

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
(SUMMARY TABLE AUGUST, 1947)

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	7,134,851	9,251,798	6,844,047	8,189,935	66,214	936,229	224,590	125,634
Bonds and Debentures	4,293,621	5,135,823	4,190,324	4,834,859	-	221,787	103,297	79,177
Common and Preference Stocks	2,837,766	4,114,578	2,650,259	3,353,679	66,214	714,442	121,293	46,457
Other Securities	3,464	1,397	3,464	397	-	-	-	-
United States Securities, Total	2,662,832	3,108,679	2,660,857	3,076,278	-	28,117	1,975	4,284
Bonds and Debentures	843,656	1,040,474	843,656	1,031,547	-	4,643	-	4,284
Common and Preference Stocks	1,819,176	2,068,205	1,817,201	2,044,731	-	23,474	1,975	-
Other Securities	-	-	-	-	-	-	-	-
United Kingdom Securities, Total	72,549	180,224	24,390	-	48,159	180,224	-	-
Bonds and Debentures	56,189	180,224	24,390	-	31,799	180,224	-	-
Common and Preference Stocks	16,360	-	-	-	16,360	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Other Countries Securities,								
Total	126,258	95,907	124,197	73,796	1,540	22,111	521	-
Bonds and Debentures	126,258	95,907	124,197	73,796	1,540	22,111	521	-
Common and Preference Stocks	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
Short-Term Securities								
(1 year or less)	25,000	-	25,000	-	-	-	-	-
Unspecified Bonds and Debentures	881,726	601,810	881,726	601,810	-	-	-	-
TOTAL	10,903,216	13,238,418	10,560,217	11,941,819	115,913	1,166,681	227,086	129,918

1
5
1

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
FOR THE EIGHT MONTHS ENDING AUGUST, 1947.

Table 3A

	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 .	102,584,220	108,396,771	94,166,773	95,738,830	2,178,824	8,482,144	6,238,623	4,175,797
Bonds and Debentures	71,695,825	61,613,982	65,905,735	54,078,277	978,236	4,306,997	4,811,854	3,228,708
Common and Preference Stocks	30,811,143	46,769,430	28,183,786	41,648,944	1,200,588	4,175,147	1,426,769	945,339
Other Securities	77,252	13,359	77,252	11,609	-	-	-	1,750
United States Securities,								
Total	29,040,695	31,776,404	29,007,393	31,660,444	14,891	94,221	18,411	21,739
Bonds and Debentures	8,329,367	9,381,346	8,320,590	9,360,162	8,777	9,513	-	11,671
Common and Preference Stocks	20,662,864	22,395,058	20,638,339	22,300,282	6,114	84,708	18,411	10,068
Other Securities	48,464	-	48,464	-	-	-	-	-
United Kingdom Securities,								
Total	724,005	297,882	231,094	91,844	492,911	206,038	-	-
Bonds and Debentures	622,741	203,973	204,319	-	418,422	203,973	-	-
Common and Preference Stocks	101,264	93,909	26,775	91,844	74,489	2,065	-	-
Other Securities	-	-	-	-	-	-	-	-
Other Countries Securities,								
Total	2,685,021	1,384,721	2,639,579	1,235,017	9,601	95,720	35,841	53,984
Bonds and Debentures	1,622,943	1,364,386	1,589,441	1,228,223	7,777	95,671	25,725	40,492
Common and Preference Stocks	1,062,078	20,335	1,050,138	6,794	1,824	49	10,116	13,492
Other Securities	-	-	-	-	-	-	-	-
Short-Term Securities (1 year or less) ...	84,963	20,596	84,963	20,596	-	-	-	-
Unspecified Bonds and Debentures	4,112,076	6,869,436	4,112,076	6,771,385	-	87,089	-	10,962
TOTAL	139,230,980	148,745,810	130,241,878	135,518,116	2,696,227	8,965,212	6,292,875	4,262,482

QUOTATIONS AND YIELDS FOR DOMESTIC GOVERNMENT BONDS
IN CANADA, THE UNITED KINGDOM AND UNITED STATES

Table 4

	CANADA		UNITED KINGDOM		UNITED STATES	
	3% due Sept. 1, 1961-66		3% due April 15, 1959-69		U.S. Treasury 2½% due Dec. 15, 1963-68	
	Price	Yield	Price	Yield	Price	Yield
<u>1945</u>						
January	-	-	100.21	2.98	100.97	2.44
February ...	-	-	100.53	2.95	101.81	2.38
March	-	-	100.83	2.93	101.47	2.40
April	-	-	100.79	2.93	101.47	2.40
May	-	-	100.42	2.96	101.59	2.39
June	-	-	100.36	2.97	102.22	2.35
July	-	-	100.39	2.97	102.47	2.33
August	-	-	100.39	2.97	102.26	2.35
September ..	-	-	100.68	2.94	102.03	2.36
October	-	-	100.82	2.93	102.30	2.34
November ...	-	-	100.79	2.93	102.37	2.34
December ...	-	-	100.58	2.95	102.45	2.33
<u>1946</u>						
January	102.47	2.80	101.94	2.82	104.69	2.18
February ...	104.14	2.67	103.08	2.72	106.23	2.08
March	104.96	2.61	103.51	2.68	106.77	2.04
April	104.99	2.60	105.12	2.54	106.93	2.03
May	104.68	2.63	105.11	2.53	105.24	2.14
June	104.81	2.61	104.62	2.57	105.65	2.11
July	104.83	2.61	104.93	2.54	105.18	2.14
August	104.75	2.62	105.06	2.53	104.40	2.19
September ..	104.75	2.61	105.83	2.46	103.63	2.24
October	104.75	2.61	106.58	2.39	103.99	2.22
November ...	104.79	2.61	108.46	2.22	104.09	2.21
December ...	104.77	2.61	108.35	2.22	104.19	2.20
<u>1947</u>						
January	104.76	2.61	108.54	2.20	104.68	2.17
February ...	104.83	2.60	107.65	2.28	104.78	2.16
March	104.85	2.60	105.54	2.47	105.07	2.14
April	104.75	2.60	106.01	2.42	105.04	2.14
May	104.89	2.59	106.47	2.38	104.97	2.14
June	105.00	2.58	105.84	2.43	104.58	2.17
July	105.00	2.58	103.27	2.67	104.18	2.20
August	104.85	2.59	99.86	3.01	104.21	2.19

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



1010508563

- 8 -

INDEX NUMBERS OF COMMON STOCK PRICES IN CANADA AND
THE UNITED STATES
(1935-1939=100)

Table 5

C A N A D A (Dominion Bureau of Statistics)				UNITED STATES (Standard and Poor's Trade Securities)
	Investors' Price Index (100) (74 Industrials 18 Utilities 8 Banks)	Mining Stocks		
		Gold Stocks (23)	Composite Mining Index (27)	(Industrials, Railroads and Utilities)
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	71.5	44.7	54.7	74.7
1943 - December	80.5	68.5	74.9	91.8
1944 - December	86.0	74.4	80.6	104.7
1945				
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
April	125.1	99.8	110.0	151.7
May	124.4	94.2	107.0	154.3
June	123.3	92.0	104.0	153.2
July	119.1	81.7	93.0	149.6
August	116.9	77.6	89.7	146.4
September	104.4	71.1	81.6	125.4
October	101.8	70.1	80.3	122.3
November	102.5	73.1	83.3	120.6
December	106.4	70.9	83.7	125.5
1947				
January	106.2	74.1	86.6	125.2
February	109.4	75.7	88.8	128.7
March	106.4	73.8	85.7	123.7
April	104.8	73.0	84.1	119.3
May	104.4	72.3	83.0	115.2
June	105.3	76.6	86.9	119.1
July	107.4	75.6	85.8	126.0
August	105.5	77.3	87.0	124.5