

DEPARTMENT OF TRADE AND COMMERCE
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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
January, 1948

A slight increase was shown in sales and purchases of securities between Canada and other countries in January 1948 as compared to December 1947. Sales at \$16.5 million advanced a little more than \$2 million and purchases at \$19.0 million advanced somewhat less than \$1.0 million. Net purchases dropped from \$4.1 million to \$2.5 million.

Transactions with the United States in January resulted in net purchases of \$2.0 million, representing a smaller outflow of capital than occurred in December but a larger outflow than was recorded in any of the eight preceding months. Dominion bonds and Canadian stocks were the major factors in the purchase balance.

Repurchases of Canadian stocks and municipal bonds continued to be the dominant features of the trade with the United Kingdom. The amounts involved were not large and resulted in net purchases of just over half a million dollars.

Transactions with other countries were **heavier** than in any month since March 1947. Purchases however, were almost exactly balanced by sales, and the net outward movement of funds amounted to only \$0.1 million.

In table 4 showing quotations and yields for representative government bonds in Canada, the United Kingdom and the United States, the price of the Canadian issue dropped sharply, while the United Kingdom issue advanced fractionally and the United States issue continued the decline which commenced in October. The quotations for the Canadian and the United States issues were lower in January than at any time during the past two years.

Canadian mining stocks receded in January and stocks of other Canadian companies advanced according to data shown in Table 5. The decline in American stocks continued.

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
(In millions of dollars to nearest hundred thousand)

Table I.

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>1946</u>												
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	0.0
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	- 2.3	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	0.3	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 ¹
<u>1947</u>												
TOTAL.....	193.8	211.8	- 18.0	182.3	192.8	- 10.5	4.2	13.3	- 9.1	7.3	5.7	+ 1.6 ¹
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
September.....	13.4	15.9	- 2.5	12.5	13.2	- 0.7	0.7	2.1	- 1.5	0.2	0.6	- 0.3
October.....	14.7	15.1	- 0.4	14.1	13.9	+ 0.2	0.2	0.7	- 0.5	0.4	0.5	- 0.1
November.....	12.1	13.7	- 1.6	11.4	12.3	- 1.4	0.4	0.7	- 0.3	0.3	0.2	+ 0.1
December.....	14.3	18.4	- 4.1	14.0	17.3	- 3.3	0.2	0.9	- 0.7	0.1	0.2	- 0.1
<u>1948</u>												
January.....	16.5	19.0	- 2.5	15.6	17.6	- 2.0	0.1	0.7	- 0.6	0.7	0.8	- 0.1

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

Table 2.

ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, JANUARY, 1947
(In thousands of dollars)

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
<u>Bonds and Debentures, Total</u>	8,420	10,025	7,770	9,102	67	260	581	665
Canadian New Issues.....	221	-	-	-	-	-	221	-
Canadian Outstanding Issues.....								
Dominion.....	1,983	5,113	1,979	4,800	-	3	4	311
Provincial.....	350	442	350	413	-	29	-	-
Municipal.....	902	270	900	132	2	138	-	-
Guaranteed by the Dominion.....	240	112	238	91	-	-	2	21
Railway, Other.....	662	347	662	322	-	26	-	1
Other Corporations.....	471	485	191	225	-	19	279	242
United States New Issues.....								
Government.....	-	-	-	-	-	-	-	-
Other.....	-	101	-	101	-	-	-	-
United States Outstanding Issues.....								
Government.....	814	1,215	814	1,212	-	2	-	-
Other.....	1,924	919	1,924	919	-	-	-	-
United Kingdom New Issues.....								
Government.....	-	-	-	-	-	-	-	-
Other.....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues.....								
Government.....	60	23	-	-	60	23	-	-
Other.....	-	-	-	-	-	-	-	-
Other Countries New Issues.....	-	10	-	10	-	-	-	-
Other Countries Outstanding Issues.....	207	231	126	120	5	20	75	90
Unspecified Bonds and Debentures.....	586	757	586	757	-	-	-	-
<u>Common & Preference Stocks</u>								
Canadian.....	4,230	5,347	4,071	4,953	31	282	128	112
United States.....	3,741	3,573	3,729	3,451	-	121	12	1
United Kingdom.....	45	1	-	-	45	1	-	-
Other Countries.....	9	-	9	-	-	-	-	-
<u>Short-Term Securities (1 year or less)</u> ...	-	102	-	102	-	-	-	-
<u>Other Securities</u>								
Canadian.....	11	1	11	1	-	-	-	-
United States.....	-	-	-	-	-	-	-	-
United Kingdom.....	-	-	-	-	-	-	-	-
Other Countries.....	-	-	-	-	-	-	-	-
TOTAL	16,456	19,049	15,590	17,609	143	664	721	778

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

Table 3.

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
BY NATIONALITY AND CLASS OF SECURITY
SUMMARY TABLE, JANUARY 1947
(in thousands of dollars)

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
<u>Canadian Securities, Total</u>	9,070	12,117	8,402	10,937	33	497	634	687
Bonds and Debentures.....	4,829	6,769	4,320	5,933	2	215	506	575
Common and Preference Stocks.....	4,230	5,347	4,071	4,953	31	282	128	112
Other Securities.....	11	1	11	1	-	-	-	-
<u>United States Securities, Total</u>	6,479	5,808	6,467	5,683	-	125	12	1
Bonds and Debentures.....	2,738	2,235	2,738	2,232	-	2	-	-
Common and Preference Stocks.....	3,741	3,573	3,729	3,451	-	121	12	1
Other Securities.....	-	-	-	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	105	24	-	-	105	24	-	-
Bonds and Debentures.....	60	23	-	-	60	23	-	-
Common and Preference Stocks.....	45	1	-	-	45	1	-	-
Other Securities.....	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	216	241	135	130	5	20	75	90
Bonds and Debentures.....	207	241	126	130	5	20	75	90
Common and Preference Stocks.....	9	-	9	-	-	-	-	-
Other Securities.....	-	-	-	-	-	-	-	-
<u>Short-Term Securities (1 year or less)</u>	-	102	-	102	-	-	-	-
<u>Unspecified Bonds and Debentures</u>	586	757	586	757	-	-	-	-
<u>TOTAL</u>	16,456	19,943	15,590	17,609	143	664	721	778

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

QUOTATIONS AND YIELDS 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 2½% due Dec. 15, 1963-68	
	Price	Yield	Price	Yield	Price	Yield
<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
September.....	104.86	2.58	100.11	2.99	104.35	2.18
October.....	104.81	2.59	101.87	2.81	103.84	2.22
November.....	104.75	2.59	102.44	2.75	102.44	2.32
December.....	104.75	2.59	100.82	2.92	101.99	2.35
<u>1948</u>						
January.....	102.25	2.80	100.95(x)	2.90(x)	101.63	2.42

The above prices are the averages of business days during each month.
(x) Subject to revision.



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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) (Industrials Utilities Banks)	Mining Stocks		(Industrials, Railroads and Utilities)
		Gold Stocks	Composite Mining Index	
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	71.6
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 - December.....	112.5	104.0	108.2	139.7
<u>1946</u>				
January.....	123.5	107.2	114.9	144.6
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	83.5	120.6
December.....	106.4	70.9	83.7	125.5
<u>1947</u>				
January.....	106.2	74.1	86.6	125.2
February.....	109.4	75.7	88.8	126.7
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
September.....	104.1	80.1	88.0	123.1
October.....	105.5	78.9	87.6	125.1
November.....	107.3	79.5	89.9	123.6
December.....	106.2	74.8	86.6	122.4
<u>1948</u>				
January.....	107.5	71.6	84.8	120.1