

Published by Authority of the Rt. Hon. C. D. Howe, M.P.  
Minister of Trade and Commerce

2-4020

November, 1948

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

Dominion Statistician:	Herbert Marshall
Chief, International Payments Section:	C.D. Blyth
Statistician:	W.R. Miller
Vol. 14	No. 11

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

NOVEMBER, 1948

International security transactions in November resulted in a sales balance for the first time since July. During the period of two years ending November 30th there have been sales balances in only four months out of the twenty-four. Net sales in these four months totalled \$6.8 million, contrasting with net purchases of \$44.8 million which occurred in the remaining twenty months. The aggregate sales balance in November differed from all other such balances during the past seven years in that it was the result of net sales to residents of the United Kingdom, whereas all other aggregate sales balances during that period have resulted from net sales to residents of the United States or other foreign countries. The total volume of transactions in November was \$42.0 million, representing an increase of 18 per cent over the volume in October. Net sales amounted to \$1.6 million.

In trade with the United States, transactions in bonds and debentures resulted in a sales balance of \$4.3 million, principally due to sales of Dominion and provincial bonds, while transactions in stocks and other securities produced a purchase balance of \$4.4 million, in which United States stocks were prominent. As a result there was a small outward movement of funds amounting to \$0.1 million.

The purchase balance of \$0.4 million which occurred in trade with the United Kingdom in October was extended to \$1.5 million in November due to heavy sales of Dominion bonds. Purchases from the United Kingdom were unusually light, amounting to only \$0.1 million, the smallest monthly total since October, 1940.

Net sales of Dominion bonds and Canadian stocks to residents of other countries resulted in a total sales balance of \$0.2 million.

Transactions with all countries in the first 11 months of 1948 resulted in net purchases of \$17.2 million, compared to net purchases of \$13.9 million in the same period of 1947 and net sales of \$137.4 million in the first 11 months of 1946. Purchases of Dominion bonds and United States stocks were the most important types of transactions in 1948.

Fractional advances were shown in the prices of representative Canadian, United Kingdom and United States government bonds quoted in Table 4.

Prices of Canadian stocks advanced in November, with the exception of golds, while United States stocks experienced the sharpest decline since September, 1946.

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 million of dollars to nearest hundred thousand)

Table 1.

	Total Transactions			United States			United Kingdom			Other Countries		
	Sales	Pur-chases	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.-
<b>1946</b>												
Total (12 mos.) ..	415.8	281.2	+134.6	405.0	234.8	+170.2	4.2	39.6	-33.4	6.5	6.7	-0.2
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
<b>1947</b>												
Total (12 mos.) ..	193.8	211.8	- 18.0	182.3	192.8	- 10.5	4.2	13.3	- 9.1	7.3	5.7	+1.6
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	12.8	- 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
<b>1948</b>												
Total (11 mos.) ..	200.0	217.2	- 17.2	191.0	207.6	- 16.6	4.7	6.0	- 1.3	4.3	3.6	+0.7
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
February .....	13.0	15.5	- 2.5	11.9	14.6	- 2.7	0.4	0.4	0.0	0.7	0.5	+0.2
March .....	15.6	15.6	0.0	15.1	14.5	+ 0.6	0.4	0.9	- 0.5	0.2	0.2	0.0
April .....	19.0	20.4	- 1.4	18.1	19.7	- 1.6	0.3	0.5	- 0.2	0.6	0.2	+0.4
May .....	19.5	25.3	- 5.8	19.1	24.2	- 5.1	0.3	1.0	- 0.7	0.1	0.1	0.0
June .....	28.3	31.7	- 3.4	27.9	30.9	- 3.0	0.2	0.4	- 0.2	0.2	0.4	-0.2
July .....	18.3	16.6	+ 1.7	17.8	15.6	+ 2.2	0.2	0.7	- 0.5	0.3	0.3	0.0
August .....	10.9	14.3	- 3.4	10.7	13.8	- 3.1	0.1	0.3	- 0.2	0.1	0.2	-0.1
September .....	19.5	20.4	- 0.9	18.8	19.6	- 0.8	0.2	0.5	- 0.3	0.5	0.3	+0.2
October .....	17.5	18.0	- 0.5	16.3	17.2	- 0.9	0.9	0.5	+ 0.4	0.4	0.4	0.0
November .....	21.8	20.2	+ 1.6	19.7	19.8	- 0.1	1.6	0.1	+ 1.5	0.5	0.3	+0.2

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, NOVEMBER 1948  
(In thousands of dollars)

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 .....	10,125	4,247	8,265	4,031	1,539	82	320	133
Canadian New Issues .....	8	-	8	-	-	-	-	-
Canadian Outstanding Issues -								
Dominion .....	3,580	789	1,852	732	1,431	12	297	44
Provincial .....	1,557	192	1,551	138	5	51	1	3
Municipal .....	458	18	452	4	5	14	1	-
Guaranteed by the Dominion .....	185	7	183	7	2	-	-	-
Railway, other .....	206	49	206	2	-	1	-	46
Other Corporations .....	1,548	998	1,456	984	91	-	1	14
United States New Issues -								
Government .....	-	151	-	151	-	-	-	-
Other .....	-	-	-	-	-	-	-	-
United States Outstanding Issues -								
Government .....	1,278	1,269	1,278	1,269	-	-	-	-
Other .....	170	120	170	120	-	-	-	-
United Kingdom New Issues -								
Government .....	-	-	-	-	-	-	-	-
Other .....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues-								
Government .....	5	4	-	-	5	4	-	-
Other .....	3	-	3	-	-	-	-	-
Other Countries New Issues .....	-	11	-	11	-	-	-	-
Other Countries Outstanding Issues .....	207	59	186	33	-	-	20	26
Unspecified Bonds and Debentures .....	920	580	920	580	-	-	-	-
Common & Preference Stocks								
Canadian .....	7,730	8,833	7,471	8,648	36	66	222	119
United States .....	3,927	6,613	3,927	6,613	-	-	-	-
United Kingdom .....	12	-	-	-	12	-	-	-
Other Countries .....	-	-	-	-	-	-	-	-
Short-Term Securities (1 yr. or less) ..	-	169	-	166	-	-	-	3
Other Securities								
Canadian .....	42	311	42	311	-	-	-	-
United States .....	-	-	-	-	-	-	-	-
United Kingdom .....	-	-	-	-	-	-	-	-
Other Countries .....	-	-	-	-	-	-	-	-
TOTAL .....	21,836	20,173	19,705	19,769	1,587	148	542	255

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, ELEVEN MONTHS ENDING NOVEMBER, 1948  
(In thousands of dollars)

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 .....	80,725	90,131	74,459	84,969	3,453	2,665	2,812	2,495
Canadian New Issues .....	4,149	-	3,734	-	-	-	415	-
Canadian Outstanding Issues .....								
Dominion .....	26,919	38,306	23,811	37,103	1,870	124	1,238	1,077
Provincial .....	8,274	3,397	7,686	2,610	376	754	213	33
Municipal .....	3,260	4,120	3,212	3,126	21	975	26	16
Guaranteed by the Dominion .....	1,653	1,648	1,619	1,510	2	31	34	108
Railway, other .....	2,310	1,723	2,299	1,421	9	145	1	160
Other Corporations .....	6,190	7,732	5,030	6,657	575	296	585	780
United States New Issues -								
Government .....	-	1,866	-	1,866	-	-	-	-
Other .....	-	458	-	458	-	-	-	-
United States Outstanding Issues -								
Government .....	12,915	14,132	12,903	14,129	12	2	-	-
Other .....	4,630	2,635	4,630	2,584	-	51	-	1
United Kingdom New Issues -								
Government .....	-	9	-	-	-	9	-	-
Other .....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues -								
Government .....	802	121	247	23	500	98	54	-
Other .....	45	4	3	4	42	-	-	-
Other Countries New Issues .....	-	59	-	33	-	-	-	26
Other Countries Outstanding Issues .....	1,582	2,268	1,289	1,792	46	180	246	295
Unspecified Bonds and Debentures .....	7,996	11,653	7,996	11,653	-	-	-	-
Common & Preference Stocks -								
Canadian .....	81,763	80,446	79,339	76,213	949	3,194	1,474	1,039
United States .....	36,244	45,337	36,223	45,190	4	122	17	25
United Kingdom .....	832	8	566	2	265	6	1	-
Other Countries .....	24	6	23	1	-	2	1	3
Short-Term Securities (1 yr. or less) .	165	818	164	784	-	30	-	4
Other Securities -								
Canadian .....	209	428	209	426	-	2	-	-
United States .....	2	-	2	-	-	-	-	-
United Kingdom .....	-	-	-	-	-	-	-	-
Other Countries .....	33	-	33	-	-	-	-	-
TOTAL .....	199,997	217,174	191,018	207,585	4,671	6,021	4,305	3,566

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

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES  
BY NATIONALITY AND CLASS OF SECURITY  
SUMMARY TABLE, NOVEMBER, 1948  
(In thousands of dollars)

Table 3

	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>	15,314	11,197	13,221	10,826	1,570	144	522	226
Bonds and Debentures .....	7,542	2,053	5,708	1,867	1,534	78	300	107
Common and Preference Stocks ....	7,730	8,833	7,471	8,648	36	66	222	119
Other Securities .....	42	311	42	311	-	-	-	-
<u>United States Securities, Total ..</u>	5,375	8,153	5,375	8,153	-	-	-	-
Bonds and Debentures .....	1,448	1,540	1,448	1,540	-	-	-	-
Common and Preference Stocks ....	3,927	6,613	3,927	6,613	-	-	-	-
Other Securities .....	-	-	-	-	-	-	-	-
<u>United Kingdom Securities, Total .</u>	20	4	3	-	17	4	-	-
Bonds and Debentures .....	8	4	3	-	5	4	-	-
Common and Preference Stocks....	12	-	-	-	12	-	-	-
Other Securities .....	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total.</u>	207	70	186	44	-	-	20	26
Bonds and Debentures .....	207	70	186	44	-	-	20	26
Common and Preference Stocks ....	-	-	-	-	-	-	-	-
Other Securities .....	-	-	-	-	-	-	-	-
<u>Short-Term Securities (1 yr. or less)</u>	-	169	-	166	-	-	-	3
<u>Unspecified Bonds and Debentures</u>	920	580	920	580	-	-	-	-
<b>TOTAL .....</b>	<b>21,836</b>	<b>20,173</b>	<b>19,705</b>	<b>19,769</b>	<b>1,587</b>	<b>148</b>	<b>542</b>	<b>255</b>

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

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES  
BY NATIONALITY AND CLASS OF SECURITY  
FOR THE ELEVEN MONTHS ENDING NOVEMBER, 1948  
(In thousands of dollars)

Table 3A

	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>	134,727	137,800	126,939	129,066	3,802	5,521	3,986	3,213
Bonds and Debentures .....	52,755	56,926	47,391	52,427	2,853	2,325	2,512	2,174
Common and Preference Stocks .....	81,763	80,446	79,339	76,213	949	3,194	1,474	1,039
Other Securities .....	209	428	209	426	-	2	-	-
<u>United States Securities, Total ....</u>	53,791	64,428	53,758	64,227	16	175	17	26
Bonds and Debentures .....	17,545	19,091	17,533	19,037	12	53	-	1
Common and Preference Stocks .....	36,244	45,337	36,223	45,190	4	122	17	25
Other Securities .....	2	-	2	-	-	-	-	-
<u>United Kingdom Securities, Total ...</u>	1,679	142	816	29	807	113	55	-
Bonds and Debentures .....	847	134	250	27	542	107	54	-
Common and Preference Stocks .....	832	8	566	2	265	6	1	-
Other Securities .....	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total ..</u>	1,639	2,333	1,345	1,826	46	182	247	324
Bonds and Debentures .....	1,582	2,327	1,289	1,825	46	180	246	321
Common and Preference Stocks .....	24	6	23	1	-	2	1	3
Other Securities .....	33	-	33	-	-	-	-	-
<u>Short-Term Securities (1 yr. or less)</u>	165	818	164	784	-	30	-	4
Unspecified Bonds and Debentures ....	7,996	11,653	7,996	11,653	-	-	-	-
<u>TOTAL .....</u>	199,997	217,174	191,018	207,585	4,671	6,021	4,305	3,567

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 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
<b>1946</b>						
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
<b>1947</b>						
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	2.81	103.84	2.22
October .....	104.81	2.59	101.87	2.99	104.35	2.18
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
<b>1948</b>						
January .....	102.25	2.80	100.92	2.90	101.03	2.42
February .....	101.85	2.83	101.00	2.90	101.03	2.42
March .....	100.27	2.98	101.30	2.86	101.10	2.42
April .....	100.37	2.97	99.71	3.02	101.16	2.41
May .....	100.73	2.93	100.82	2.91	101.46	2.39
June .....	100.63	2.94	100.98	2.89	101.59	2.38
July .....	100.72	2.93	101.04	2.89	101.10	2.41
August .....	100.43	2.96	101.84	2.80	101.03	2.42
September .....	100.51	2.95	102.31	2.75	101.03	2.42
October .....	100.41	2.96	102.90	2.68	101.03	2.42
November .....	100.65	2.94	103.27	2.64	101.15	2.41

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



1010508590

- 8 -

INDEX NUMBERS OF COMMON STOCKS 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	Mining Stocks			
	(Industrials Utilities Banks)	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	71.8	
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 - December .....	112.5	104.0	108.2	139.7	
<u>1946</u>					
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	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	
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	
February .....	102.2	71.8	83.3	114.2	
March .....	101.5	71.1	82.2	116.4	
April .....	109.1	66.2	81.6	124.6	
May .....	116.5	66.9	84.1	130.2	
June .....	120.3	62.7	81.1	135.1	
July .....	116.3	60.3	78.8	131.9	
August .....	113.6	60.7	78.7	127.1	
September .....	113.4	63.0	80.4	125.7	
October .....	116.4	62.2	82.5	127.8	
November .....	117.8	60.5	82.7	120.4	