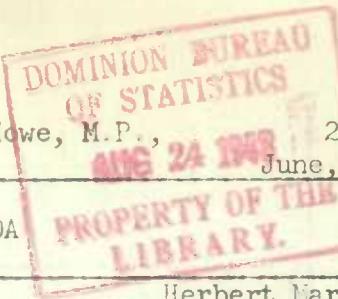


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No. 6

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIESJUNE, 1948

The volume of international transactions in securities rose sharply to \$60 million in June. This may be compared with average monthly transactions of \$33.8 million in 1947 and \$35.9 million in the first five months of the current year. Heavy trading in 1945 and the first half of 1946, stimulated by the premium on United States funds, gave rise to transactions totalling more than \$60 million in several months, but monthly averages for the two years were only \$48.5 million and \$58.1 million respectively. Sales in June, 1948, were \$8.8 million higher than in May and purchases showed an increase of \$6.4 million. Net purchases at \$3.4 million were somewhat lower than in the previous month.

The increased activity in June was due principally to heavy trading in outstanding Dominion bonds between residents of Canada and the United States. Sales of Dominion bonds to the United States rose from \$1.1 million in May to \$9.5 million in June, and purchases advanced from \$3.6 million to \$9.7 million. Transactions in stocks were slightly lower than in May. Net purchases at \$3.0 million were less than the \$5.1 million resulting from transactions in May.

Trade with the United Kingdom in June barely exceeded half a million dollars, the lowest monthly total of the year. The purchase balance of \$0.2 million was due principally to repurchases of Canadian stocks.

Trade with other countries, although higher than in May, remained at a low level and produced a purchase balance of only \$0.2 million.

Transactions with all countries in the first six months of 1948 resulted in a purchase balance of \$15.8 million, close to the aggregate purchase balance of \$18.0 million resulting from 12 months trade in 1947. The balance was principally due to repurchases of Dominion bonds from holders in the United States.

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 declined fractionally while the British and United States issues recorded minor advances.

Prices of Canadian mining stocks receded in June while stocks of other companies recorded a moderate advance. Stocks of United States companies continued to advance.

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.

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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	Pur-chases	Net Sales + Purch.-	Sales	Pur-chases	Net Sales + Purch.-	Sales	Pur-chases	Net Sales + Purch.-	Sales	Pur-chases	Net Sales + Purch.-
<u>1946</u>												
TOTAL (12 mos.)....	415.8	281.2	+ 134.6	405.0	234.8	+ 179.2	4.2	39.6	- 33.4	6.5	6.7	- 0.2
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
<u>1947</u>												
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
<u>1948</u>												
TOTAL (6 mos.)....	111.9	127.7	- 15.8	107.8	121.6	- 13.8	1.7	4.0	- 2.3	2.5	2.1	+ 0.4
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

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, JUNE, 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
<u>Bonds and Debentures, Total</u>	15,655	16,991	15,491	16,612	111	138	53	241
Canadian New Issues	17	-	17	-	-	-	-	-
Canadian Outstanding Issues								
Dominion	9,535	9,852	9,513	9,726	-	8	22	118
Provincial	1,354	298	1,354	235	-	61	-	2
Municipal.....	161	230	156	210	5	19	-	1
Guaranteed by the Dominion	38	52	38	51	-	-	-	1
Railway, other	490	74	490	63	-	11	-	-
Other Corporations	213	924	185	771	-	39	28	114
United States New Issues								
Government	-	129	-	129	-	-	-	-
Other		155	-	155	-	-	-	-
United States Outstanding Issues								
Government	1,300	2,082	1,300	2,082	-	-	-	-
Other	531	175	531	175	-	-	-	-
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	97	-	-	-	97	-	-	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues	147	263	135	258	9	-	3	5
Unspecified Bonds and Debentures	1,772	2,757	1,772	2,757	-	-	-	-
<u>Common & Preference Stocks</u>								
Canadian	8,477	8,088	8,238	7,668	78	278	161	142
United States	4,142	6,640	4,142	6,640	-	-	-	-
United Kingdom	5	-	-	-	5	-	-	-
Other Countries	-	-	-	-	-	-	-	-
<u>Short-Term Securities (1 year or less)</u>	-	4	-	4	-	-	-	-
<u>Other Securities</u>								
Canadian	19	2	19	2	-	-	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom.....	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
<u>TOTAL.....</u>	28,298	31,725	27,890	30,926	194	416	214	383

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, SIX MONTHS ENDING JUNE, 1948

Table 2A

(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
Bonds and Debentures, Total	49,773	58,219	47,216	54,981	875	1,666	1,682	1,572
Canadian New Issues	1,669	-	1,395	-	-	-	271	-
Canadian Outstanding Issues								
Dominion	18,752	28,062	17,942	27,320	138	45	672	697
Provincial	2,957	2,592	2,725	2,050	173	536	60	6
Municipal	2,527	1,150	2,490	579	12	563	25	6
Guaranteed by the Dominion	980	465	948	393	-	3	33	70
Railway, other	1,988	1,243	1,978	1,147	9	96	-	1
Other Corporations	3,013	3,832	2,499	2,988	84	252	429	594
United States New Issues								
Government	-	960	-	960	-	-	-	-
Other	-	278	-	278	-	-	-	-
United States Outstanding Issues								
Government	7,635	7,854	7,627	7,851	8	2	-	-
Other	3,713	2,130	3,713	2,079	-	51	-	1
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	621	67	240	23	381	44	-	-
Other	24	3	0	3	24	-	-	-
Other Countries New Issues	-	20	-	20	-	-	-	-
Other Countries Outstanding Issues	867	1,895	632	1,622	46	74	189	198
Unspecified Bonds and Debentures	5,027	7,668	5,027	7,668	-	-	-	-
Common & Preference Stocks								
Canadian	40,403	43,065	39,073	40,371	549	2,151	780	543
United States	21,287	26,004	21,270	25,861	4	121	13	22
United Kingdom	309	8	80	2	229	6	-	-
Other Countries	9	4	9	1	-	-	-	3
Short-Term Securities(1 year or less) ...	44	368	43	338	-	30	-	-
Other Securities								
Canadian	65	17	55	17	-	-	-	-
United States	2	-	2	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
TOTAL	111,892	127,685	107,758	121,571	1,657	3,974	2,475	2,140

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, JUNE, 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>	20,304	19,520	20,010	18,726	83	416	211	378
Bonds and Debentures	11,808	11,430	11,753	11,056	5	138	50	236
Common and Preference Stocks	8,477	8,088	8,238	7,668	78	278	161	142
Other Securities	19	2	19	2	-	-	-	-
<u>United States Securities, Total</u>	5,973	9,181	5,973	9,181	-	-	-	-
Bonds and Debentures	1,831	2,541	1,831	2,541	-	-	-	-
Common and Preference Stocks	4,142	6,640	4,142	6,640	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	102	-	-	-	102	-	-	-
Bonds and Debentures	97	-	-	-	97	-	-	-
Common and Preference Stocks	5	-	-	-	5	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	147	263	135	258	9	-	3	5
Bonds and Debentures	147	263	135	258	9	-	3	5
Common and Preference Stocks	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Short-Term Securities(1 year or less)</u>	-	4	-	4	-	-	-	-
<u>Unspecified Bonds and Debentures</u>	1,772	2,757	1,772	2,757	-	-	-	-
<u>TOTAL</u>	28,298	31,725	27,890	30,926	194	416	214	383

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 SIX MONTHS ENDING JUNE, 1948
 (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>	72,354	80,426	69,115	74,865	965	3,646	2,273	1,917
Bonds and Debentures	31,886	37,344	29,977	34,477	416	1,495	1,493	1,374
Common and Preference Stocks	40,403	43,065	39,073	40,371	549	2,151	780	543
Other Securities	65	17	65	17	-	-	-	-
<u>United States Securities, Total</u>	32,637	37,226	32,612	37,029	12	174	13	23
Bonds and Debentures	11,348	11,222	11,340	11,168	8	53	-	1
Common and Preference Stocks	21,287	26,004	21,270	25,861	4	121	13	22
Other Securities	2	-	2	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	954	78	320	28	634	50	-	-
Bonds and Debentures	645	70	240	26	405	44	-	-
Common and Preference Stocks	309	8	80	2	229	6	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	876	1,919	641	1,643	46	74	189	201
Bonds and Debentures	867	1,915	632	1,642	46	74	189	198
Common and Preference Stocks	9	4	9	1	-	-	-	3
Other Securities	-	-	-	-	-	-	-	-
<u>Short-Term Securities (1 year or less)</u> ...	44	368	43	338	-	30	-	-
<u>Unspecified Bonds and Debentures</u>	5,027	7,668	5,027	7,668	-	-	-	-
TOTAL	111,892	127,685	107,758	121,571	1,657	3,974	2,475	2,140

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
1946						
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
1947						
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
1948						
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	100.85(x)	2.91(x)	101.59	2.38

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)			U N I T E D S T A T E S (Standard and
	Investors' Price Index	Mining Stocks	Composite Mining Index	Poor's Trade Securities)
	(Industrials Utilities Banks)	Gold Stocks		(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 - December	112.5	104.0	108.2	139.7
<u>1946</u>				
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	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