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Dominion Statistician:	Herbert Marshall
Chief, International Payments Branch:	C.D. Blyth
Statistician:	W.R. Miller
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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
SEPTEMBER, 1948

International transactions in securities in September totalled \$39.9 million, an increase of 58 per cent over the August figure, which was the lowest monthly total for the year. Volume of trade in September was just over the monthly average for the current year of \$37.7 million. The purchase balance of \$0.9 million was somewhat lower than last month.

In trade with the United States both sales and purchases showed substantial increases over the preceding month. Transactions in bonds and debentures resulted in a purchase balance of \$3.5 million, which was largely due to repurchases of bonds of the Dominion Government and of Canadian corporations other than railways. Transactions in stocks produced a sales balance of \$2.7 million, net sales of Canadian stocks outweighing net purchases of stocks issued in other countries by that amount.

Transactions with the United Kingdom in September exceeded those of August by a small margin, but were less than the monthly average to date. Net purchases of \$0.3 million were principally due to repurchases of Canadian stocks and Canadian municipal bonds.

Trade with other countries in September was more than twice as heavy as in August, and resulted in a sales balance of \$0.2 million in place of a purchase balance of \$0.1 million.

Transactions with all countries in the first nine months of 1948 resulted in net purchases of \$18.4 million, compared to \$12.0 million in the same period in 1947. Purchases of Dominion bonds and United States stocks were the most prominent types of transactions in the 1948 trade. United States securities have played a more important part in the total trade this year than they did last year, the proportion of United States securities to the total being 28 per cent in the first nine months of 1948 as compared to 21 per cent in the same period of 1947.

In Table 4 showing quotations and yields for representative government bonds in Canada, the United Kingdom and the United States, the prices of the Canadian and United Kingdom issues advanced fractionally while the United States issue remained unchanged.

Prices of Canadian mining stocks advanced in September while stocks of other Canadian companies remained stable. American stocks continued to recede from the peak established in June.

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.

	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	+170.2	4.2	39.6	-33.4	6.5	6.7	-0.2
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.) ...	193.3	211.8	- 18.0	182.3	192.8	- 10.5	4.2	13.3	- 9.1	7.3	5.7	+1.6
January	22.3	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 (9 mos.)	160.6	179.0	- 18.4	155.0	170.7	- 15.7	2.2	5.4	- 3.2	3.4	2.9	+0.5
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

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, SEPTEMBER 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>	4,924	8,437	4,411	7,937	106	267	409	233
Canadian New Issues	63	-	-	-	-	-	63	-
Canadian Outstanding Issues								
Dominion	747	2,238	615	2,143	-	10	132	85
Provincial	1,757	136	1,702	94	-	38	55	4
Municipal	121	960	121	797	-	153	-	9
Guaranteed by the Dominion	58	204	58	161	-	5	1	38
Railway, other	62	259	62	217	-	12	-	31
Other Corporations	321	1,389	122	1,357	102	17	98	15
United States New Issues								
Government	-	5	-	5	-	-	-	-
Other	-	-	-	-	-	-	-	-
United States Outstanding Issues								
Government	914	1,555	910	1,555	4	-	-	-
Other	135	21	135	21	-	-	-	2
United Kingdom New Issues								
Government	-	2	-	-	-	2	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	54	13	-	-	-	13	54	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues	132	171	126	103	-	17	6	51
Unspecified Bonds and Debentures	560	1,484	560	1,484	-	-	-	-
<u>Common & Preference Stocks</u>								
Canadian	11,406	8,123	11,231	7,846	98	189	77	88
United States	2,713	3,817	2,711	3,817	-	-	2	-
United Kingdom	377	-	363	-	13	-	1	-
Other Countries	14	2	14	-	-	2	-	-
<u>Short-Term Securities(1 year or less)</u>	-	5	-	4	-	-	-	1
<u>Other Securities</u>								
Canadian	23	26	23	26	-	-	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	8	-	8	-	-	-	-	-
<u>TOTAL</u>	19,465	20,410	18,761	19,630	217	458	489	322

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, NINE MONTHS ENDING SEPTEMBER, 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	64,405	80,134	61,033	75,665	1,103	2,337	2,269	2,132
Canadian New Issues	4,114	-	3,726	-	-	-	388	-
Canadian Outstanding Issues								
Dominion	21,920	35,463	20,876	34,468	138	109	906	885
Provincial	5,520	2,894	5,233	2,242	173	642	115	10
Municipal	2,774	3,737	2,732	2,878	16	841	25	15
Guaranteed by the Dominion	1,400	1,616	1,368	1,478	-	31	34	108
Railway, Other	2,094	1,622	2,084	1,390	9	121	-	114
Other Corporations	3,542	5,950	2,809	4,947	186	274	547	731
United States New Issues								
Government	-	1,714	-	1,714	-	-	-	-
Other	-	458	-	458	-	-	-	-
United States Outstanding Issues								
Government	10,003	11,287	9,991	11,284	12	2	-	-
Other	4,228	2,428	4,228	2,377	-	51	-	1
United Kingdom New Issues								
Government	-	2	-	-	-	2	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	790	117	247	23	488	94	54	-
Other	35	4	-	4	35	-	-	-
Other Countries New Issues	-	20	-	20	-	-	-	-
Other Countries Outstanding Issues ..	1,260	2,196	1,014	1,756	46	170	200	269
Unspecified Bonds and Debentures	6,725	10,626	6,725	10,626	-	-	-	-
Common & Preference Stocks								
Canadian	66,029	63,164	64,063	59,465	853	2,922	1,113	777
United States	29,168	34,961	29,149	34,817	4	122	15	22
United Kingdom	688	8	443	2	244	6	1	-
Other Countries	23	6	23	1	-	2	-	3
Short-Term Securities(1 year or less)	120	629	119	598	-	30	-	1
Other Securities								
Canadian	146	106	146	104	-	2	-	-
United States	2	-	2	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	33	-	33	-	-	-	-	-
TOTAL	160,614	179,008	155,011	170,652	2,204	5,421	3,398	2,935

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 SECURITY
SUMMARY TABLE, SEPTEMBER, 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>	14,558	13,335	13,934	12,641	200	424	426	270
Bonds and Debentures	3,129	5,186	2,680	4,769	102	235	349	182
Common and Preference Stocks	11,406	8,123	11,231	7,846	98	189	77	88
Other Securities	23	26	23	26	-	-	-	-
<u>United States Securities, Total</u>	3,762	5,398	3,756	5,398	4	-	2	-
Bonds and Debentures	1,049	1,581	1,045	1,581	4	-	-	-
Common and Preference Stocks	2,713	3,817	2,711	3,817	-	-	2	-
Other Securities	-	-	-	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	431	15	363	-	13	15	55	-
Bonds and Debentures	54	15	-	-	-	15	54	-
Common and Preference Stocks	377	-	363	-	13	-	1	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total ...</u>	154	173	148	103	-	19	6	51
Bonds and Debentures	132	171	126	103	-	17	6	51
Common and Preference Stocks	14	2	14	-	-	2	-	-
Other Securities	8	-	8	-	-	-	-	-
<u>Short-Term Securities(1 year or less)</u>	-	5	-	4	-	-	-	1
<u>Unspecified Bonds and Debentures</u>	560	1,484	560	1,484	-	-	-	-
<u>TOTAL</u>	19,465	20,410	18,761	19,630	217	458	489	322

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 NINE MONTHS ENDING SEPTEMBER, 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>	107,539	114,552	103,037	106,972	1,375	4,942	3,128	2,640
Bonds and Debentures	41,364	51,282	38,828	47,403	522	2,018	2,015	1,863
Common and Preference Stocks	66,029	63,164	64,063	59,465	853	2,922	1,113	777
Other Securities	146	106	146	104	-	2	-	-
<u>United States Securities, Total</u>	43,401	50,848	43,370	50,650	16	175	15	23
Bonds and Debentures	14,231	15,887	14,219	15,833	12	53	-	1
Common and Preference Stocks	29,168	34,961	29,149	34,817	4	122	15	22
Other Securities	2	-	2	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	1,513	131	690	29	767	102	55	-
Bonds and Debentures	825	123	247	27	523	95	54	-
Common and Preference Stocks	688	8	443	2	244	6	1	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total ...</u>	1,316	2,222	1,070	1,777	46	172	200	272
Bonds and Debentures	1,260	2,216	1,014	1,776	46	170	200	269
Common and Preference Stocks	23	6	23	1	-	2	-	3
Other Securities	33	-	33	-	-	-	-	-
<u>Short-Term Securities(1 year or less)</u>	120	629	113	598	-	30	-	1
<u>Unspecified Bonds and Debentures</u>	6,725	10,626	6,725	10,626	-	-	-	-
<u>TOTAL</u>	160,614	179,008	155,011	170,652	2,204	5,421	3,398	2,936

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 $2\frac{1}{2}\%$ 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	2.81	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
<u>1948</u>						
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

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



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- 8 -

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

Table 5

	C A N A D A			UNITED STATES (Standard and Poor's Trade Securities)	
	(Dominion Bureau of Statistics)		Composite Mining Index		
	Investors' Price Index	Mining Stocks			
	(Industrials Utilities Banks)	Gold Stocks	Composite Mining Index	(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>					
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	71.9	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	