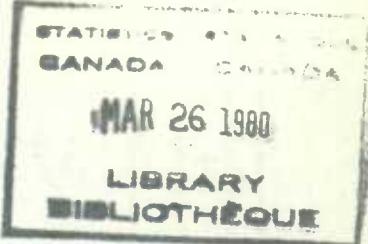


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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

MAY 1950

Sales and purchases of outstanding securities between Canada and other countries increased during May, total transactions amounting to \$50 million as compared with a total volume of \$42.9 million in the previous month. As a result of May transactions, a sales balance of \$1.8 million replaced the purchase balance of \$0.9 million occurring in April. Common and preference stocks were the principal securities traded, in which net sales arising out of United States stocks offset net purchases resulting from the concentration in Canadian common and preference stocks.

Total transactions in the first five months in 1950 increased the existing sales balance to \$6.2 million which was accounted for by cumulative sales and purchases amounting to \$114.6 million and \$108.4 million, respectively. This result can be compared with cumulative net sales of \$4 million which were achieved in the corresponding period in 1949, for which the total volume of trade amounted to \$156.8 million.

The volume of trade with the United States increased over the previous month, sales amounting to \$24.6 million and purchases to \$21.1 million, and thus giving rise to a sales balance of \$3.5 million. As a consequence of May transactions with the United States, a monthly net inflow of funds from that country has been achieved consecutively during the past nine months.

Sales and purchases with the United Kingdom increased over the previous month, resulting in net purchases of \$2 million. Transactions with the United Kingdom since September 1949 have effected a purchase balance of Canadian stocks totalling almost \$17 million for that period.

Sales to other countries remained unchanged while purchases increased over the previous month, thus producing a sales balance amounting to \$0.2 million.

In Table 4, which lists prices and yields of representative government bonds, fractional gains were made in the quotations on Canadian and United Kingdom issues, while the U.S. Treasury bond issue receded in price from the previous month.

In Table 5, substantial gains were made in May in price indexes of Dominion and United States common stock issues. Mining stocks, principally gold stock issues, declined in price from levels prevailing in the previous month.

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
(Millions of dollars)

Table 1.

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.-
1948												
Total (12 mos.)	217.6	235.3	- 17.7	207.4	225.1	- 17.7	5.0	6.4	- 1.4	5.2	4.0	+ 1.2
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
December	17.7	18.3	- 0.6	16.4	17.6	- 1.2	0.3	0.4	- 0.1	0.9	0.3	+ 0.6
1949												
Total (12 mos.)	235.4	228.9	+ 6.5	225.7	209.7	+ 16.0	5.2	16.0	- 10.8	4.5	3.2	+ 1.3
January	18.4	18.0	+ 0.4	17.8	17.3	+ 0.5	0.1	0.3	- 0.2	0.4	0.4	0.0
February	11.4	12.6	- 1.2	10.6	11.9	- 1.3	0.2	0.2	0.0	0.6	0.5	+ 0.1
March	14.6	13.8	+ 0.8	14.1	13.1	+ 1.0	0.1	0.3	- 0.2	0.4	0.4	0.0
April	21.4	17.2	+ 4.2	20.5	16.6	+ 3.9	0.4	0.3	+ 0.1	0.5	0.3	+ 0.2
May.....	14.6	14.8	- 0.2	14.0	14.4	- 0.4	0.2	0.3	- 0.1	0.3	0.2	+ 0.1
June	36.7	42.5	- 5.8	36.2	41.4	- 5.2	0.3	0.7	- 0.4	0.2	0.4	- 0.2
July	10.9	10.0	+ 0.9	10.3	9.5	+ 0.8	0.3	0.3	0.0	0.3	0.2	+ 0.1
August	13.6	14.2	- 0.6	13.1	13.9	- 0.8	0.3	0.2	+ 0.1	0.2	0.0	+ 0.2
September	21.6	25.0	- 3.4	21.1	20.3	+ 0.8	0.2	4.5	- 4.3	0.3	0.2	+ 0.1
October	25.1	21.3	+ 3.8	22.1	16.6	+ 5.5	2.7	4.5	- 1.8	0.3	0.2	+ 0.1
November	23.0	19.8	+ 3.2	22.1	17.0	+ 5.1	0.2	2.6	- 2.4	0.7	0.2	+ 0.5
December	24.1	19.6	+ 4.5	23.7	17.6	+ 6.1	0.1	1.7	- 1.6	0.3	0.2	+ 0.1
1950												
Total (5 mos.)	114.6	108.4	+ 6.2	108.6	95.1	+ 13.5	2.2	11.2	- 9.0	3.8	2.1	+ 1.7
January	20.9	19.0	+ 1.9	19.9	16.4	+ 3.5	0.4	2.3	- 1.9	0.6	0.2	+ 0.4
February	17.6	18.3	- 0.7	15.9	15.6	+ 0.3	0.8	2.3	- 1.5	0.9	0.5	+ 0.4
March	29.3	25.1	+ 4.2	28.2	22.6	+ 5.6	0.5	2.1	- 1.6	0.7	0.4	+ 0.3
April	21.0	21.0	- 0.9	20.1	19.1	+ 0.7	0.1	2.2	- 2.1	0.8	0.2	+ 0.5
May	25.9	24.1	+ 1.8	24.6	21.1	+ 3.5	0.4	2.4	- 2.0	0.8	0.6	+ 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, MAY, 1950

Table 2

(Thousands of dollars)

	Total Sales	Total Purchases	United States Sales to	United States Purchases from	United Kingdom Sales to	United Kingdom Purchases from	Other Sales to	Other Countries Purchases from
Bonds and Debentures, Total	8,382	7,244	8,032	6,677	281	482	69	85
Canadian New Issues	274	-	274	-	-	-	-	-
Canadian Outstanding Issues								
Dominion	2,443	2,743	2,374	2,623	5	30	64	85
Provincial	227	35	227	16	-	19	-	-
Municipal	24	231	22	113	2	118	-	-
Guaranteed by the Dominion	438	24	438	18	-	6	-	-
Railway, other	193	235	193	127	-	108	-	-
Other Corporations	2,462	1,815	2,183	1,633	274	192	5	-
United States New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	20	-	20	-	-	-	-
United States Outstanding Issues								
Government	1,167	1,126	1,167	1,126	-	-	-	-
Other	369	62	369	62	-	-	-	-
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues	145	84	145	65	-	19	-	-
Unspecified Bonds and Debentures	640	869	640	869	-	-	-	-
Common & Preference Stocks								
Canadian	9,999	11,155	9,130	8,715	108	1,882	761	558
United States	6,817	4,910	6,815	4,910	-	-	1	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	38	2	37	-	1	2	-	-
Short-Term Securities (1yr. or less)	593	796	593	796	-	-	-	-
Other Securities								
Canadian	21	6	21	6	-	-	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
TOTAL	25,850	24,113	24,628	21,104	390	2,366	831	643

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, FIVE MONTHS ENDING MAY, 1950
(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	40,260	35,628	38,590	32,984	1,124	2,123	547	523
Canadian New Issues	1,269	-	1,083	-	184	-	2	-
Canadian Outstanding Issues								
Dominion	7,112	12,073	6,822	11,795	104	65	186	213
Provincial	3,837	1,114	3,712	665	124	416	1	35
Municipal	439	770	416	177	23	588	-	5
Guaranteed by the Dominion	1,178	141	1,178	112	-	28	-	-
Railway, other	1,203	617	1,193	396	10	221	-	-
Other Corporations	14,712	9,052	13,688	8,410	667	374	358	269
United States New Issues								
Government	-	404	-	404	-	-	-	-
Other	-	74	-	74	-	-	-	-
United States Outstanding Issues								
Government	5,939	6,921	5,939	6,921	-	-	-	-
Other	2,057	500	2,057	500	-	-	-	-
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	12	21	-	-	12	21	-	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	11	-	11	-	-	-	-
Other Countries Outstanding Issues	1,077	698	1,077	287	-	410	-	1
Unspecified Bonds and Debentures	1,425	3,232	1,425	3,232	-	-	-	-
Common & Preference Stocks								
Canadian	42,087	52,063	38,001	41,447	914	9,055	3,172	1,561
United States	29,974	17,853	29,837	17,849	135	-	1	4
United Kingdom	32	-	23	-	9	-	-	-
Other Countries	132	19	38	3	3	9	91	7
Short-Term Securities (1 yr. or less) ..	2,051	2,609	2,051	2,609	-	-	-	-
Other Securities								
Canadian	63	208	63	208	-	-	-	-
United States	3	-	3	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	26	-	26	-	-	-	-	-
TOTAL	114,628	108,380	108,632	95,100	2,185	11,187	3,811	2,095

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, MAY, 1950
(Thousands of dollars)

Table 3

	Total Sales	Total Purchases	United States Sales to	United States Purchases from	United Kingdom Sales to	United Kingdom Purchases from	Other Countries Sales to	Other Countries Purchases from
<u>Canadian Securities, Total</u>	16,881	16,244	14,862	12,256	389	2,345	830	643
Bonds and Debentures	6,061	5,083	5,711	4,535	281	463	69	85
Common and Preference Stocks	9,999	11,155	9,130	8,715	108	1,882	761	558
Other Securities	21	6	21	6	-	-	-	-
<u>United States Securities, Total</u>	8,353	6,118	8,351	6,118	-	-	1	-
Bonds and Debentures	1,536	1,208	1,536	1,208	-	-	-	-
Common and Preference Stocks	6,817	4,910	6,815	4,910	-	-	1	-
Other Securities	-	-	-	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	-	-	-	-	-	-	-	-
Bonds and Debentures	-	-	-	-	-	-	-	-
Common and Preference Stocks	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	183	86	182	65	1	21	-	-
Bonds and Debentures	145	84	145	65	-	19	-	-
Common and Preference Stocks	38	2	37	-	1	2	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Short-Term Securities (1 yr. or less)</u>	593	796	593	796	-	-	-	-
<u>Unspecified Bonds and Debentures</u>	640	869	640	869	-	-	-	-
TOTAL	25,850	24,113	24,628	21,104	390	2,366	831	643

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 FIVE MONTHS ENDING MAY, 1950
(Thousands of dollars)

Table 3A

	Total Sales	Total Purchases	United States Sales to	United States Purchases from	United Kingdom Sales to	United Kingdom Purchases from	Other Countries Sales to	Other Countries Purchases from
<u>Canadian Securities, Total</u>	71,900	76,038	66,156	63,210	2,026	10,747	3,719	2,083
Bonds and Debentures	29,750	23,767	28,092	21,555	1,112	1,692	547	522
Common and Preference Stocks	42,087	52,063	38,001	41,447	914	9,055	3,172	1,561
Other Securities	63	208	63	208	-	-	-	-
<u>United States Securities, Total</u>	37,973	25,752	37,836	25,748	135	-	1	4
Bonds and Debentures	7,996	7,899	7,996	7,899	-	-	-	-
Common and Preference Stocks	29,974	17,853	29,837	17,849	135	-	1	4
Other Securities	3	-	3	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	44	21	23	-	21	21	-	-
Bonds and Debentures	12	21	-	-	12	21	-	10
Common and Preference Stocks	32	-	23	-	9	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	1,235	728	1,141	301	3	419	91	8
Bonds and Debentures	1,077	709	1,077	298	-	410	-	1
Common and Preference Stocks	132	19	38	3	3	9	91	7
Other Securities	26	-	26	-	-	-	-	-
<u>Short-Term Securities (1 yr. or less) ..</u>	2,051	2,609	2,051	2,609	-	-	-	-
<u>Unspecified Bonds and Debentures</u>	1,425	3,232	1,425	3,232	-	-	-	-
<u>TOTAL.....</u>	114,628	108,380	108,632	95,100	2,185	11,187	3,811	2,095

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 2-1/2 % due Dec. 15, 1963-68	
	Price	Yield	Price	Yield	Price	Yield
<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
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
December	100.75	2.93	103.42	2.62	101.34	2.39
<u>1949</u>						
January	100.72	2.93	103.55	2.60	101.60	2.37
February	100.77	2.93	103.58	2.60	101.92	2.35
March	100.80	2.92	103.54	2.60	102.05	2.35
April	100.88	2.91	103.72	2.58	102.07	2.33
May	100.88	2.91	103.50	2.60	102.09	2.33
June	100.88	2.91	101.92	2.78	102.27	2.32
July	101.12	2.89	99.40	3.04	103.77	2.17
August	101.71	2.83	95.68	3.30	104.09	2.17
September	101.96	2.81	96.72	3.23	104.45	2.14
October	103.04	2.70	96.18	3.27	104.51	2.13
November	103.08	2.69	95.11	3.34	104.76	2.11
December	102.65	2.73	97.17	3.20	104.88	2.10
<u>1950</u>						
January	102.65	2.73	95.84	3.29	104.80	2.10
February	102.71	2.72	96.47	3.25	104.25	2.14
March	102.70	2.72	95.68	3.31	103.76	2.18
April	102.39	2.75	96.72	3.23	103.37	2.21
May	102.68	2.72	97.01	3.21	103.15	2.23

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



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INDEX NUMBERS OF COMMON STOCKS PRICES IN CANADAAND THE UNITED STATES

(1935 - 1939 = 100)

Table 5.

	CANADA (Dominion Bureau of Statistics)			UNITED STATES (Standard and Poor's Trade Securities) (Industrials Railroads and Utilities)	
	Investors' Price Index	Mining Stocks			
	(Industrials Utilities Banks)	Gold Stocks	Composite Mining Index		
1941 - December	67.2	52.2	63.2	71.8	
1942 - December	71.5	47.7	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	
1946 - December	106.4	70.9	83.7	125.5	
1947 - December	106.2	74.8	86.6	122.4	
<u>1948</u> - 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	
December	115.8	63.0	84.2	119.4	
<u>1949</u> - January	114.3	69.1	88.9	121.0	
February	108.1	68.8	85.9	117.2	
March	106.4	67.1	82.8	118.0	
April	106.4	72.3	86.0	118.5	
May	105.3	69.4	82.5	117.7	
June	99.6	66.5	78.9	112.0	
July	104.2	70.6	84.9	117.8	
August	108.2	75.3	89.6	121.8	
September	109.6	75.0	89.9	123.8	
October	114.3	74.9	91.5	127.3	
November	118.2	77.3	95.2	129.1	
December	117.9	74.2	92.4	132.7	
<u>1950</u> - January	119.0	75.0	92.8	135.1	
February	118.3	73.2	91.3	136.7	
March	118.7	73.9	91.0	138.8	
April	125.9	75.4	93.0	141.8	
May	128.7	73.6	92.3	146.9	