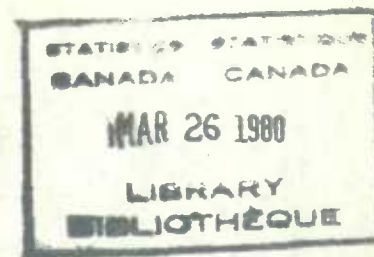




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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES
JUNE 1950

Sales and purchases of outstanding securities between Canada and other countries produced a volume amounting to \$65.8 million in June, which was \$15.8 million greater than that occurring in the previous month, but \$13.4 million less than total sales and purchases in June 1949. Sales amounted to \$34.4 and purchases to \$31.4 million thus increasing the sales balance which existed in the previous month to \$3 million. Most of the sales balance was accounted for by net sales of Canadian bonds and debentures which were in sufficiently large amount to offset net repurchases of Canadian common and preference stocks.

Total transactions in the first six months achieved a volume amounting to \$288.8 million in comparison with \$236 million cumulative transactions in the first half of 1949. Cumulative net sales, which have existed since November 1949 amounted to \$9.2 million at the end of June. This result stands in contrast to purchase balances of \$15.6 million and \$1.8 million respectively, for corresponding periods in 1948 and 1949.

The rise in the monthly volume of trade occurred principally in transactions with the United States, sales amounting to \$33.5 million and purchases to \$27.1 million. The resulting sales balance of \$6.4 million was the highest attained in monthly transactions with the United States since August 1946. The principal features of June transactions were Canadian sales of bonds and debentures, and repurchases of U.S. stocks by U.S. investors. Such repurchases totalled \$36.6 million in the first six months of 1950.

Sales of outstanding securities to the United Kingdom declined from the previous month to \$0.2 million while purchases were increased to \$3.9 million, with a concentration of repurchases of Canadian common and preference stocks. As a consequence of June transactions, the monthly purchase balance was increased to \$3.7 million.

Sales to other countries amounted to \$0.7 million and purchases to \$0.5 million, thus producing a sales balance equal in amount to that which was incurred in the previous month.

In Table 4, which lists prices and yields of representative government bonds, fractional declines occurred in prices of Canadian and United States bond issues, while a slight gain was made in the United Kingdom bond issue.

In Table 5, price indexes of Canadian and United States common stocks increased during June, in which the largest gains were recorded in Dominion common stocks other than mines. Mining stocks, principally gold declined in price from 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.-
<u>1948</u>												
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
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
<u>1949</u>												
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
<u>1950</u>												
Total (6 mos.)	149.0	139.8	+ 9.2	142.1	122.2	+ 19.9	2.4	15.1	- 12.7	4.5	2.6	+ 1.9
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	21.9	- 0.9	20.1	19.4	+ 0.7	0.1	2.2	- 2.1	0.8	0.3	+ 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
June	34.4	31.4	+ 3.0	33.5	27.1	+ 6.4	0.2	3.9	- 3.7	0.7	0.5	+ 0.2

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

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ANALYSIS OF TRADE IN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, JUNE, 1950

Table 2 (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>	14,292	7,932	14,188	7,513	62	383	42	35
Canadian New Issues	325	-	310	-	-	-	15	-
Canadian Outstanding Issues								
Dominion	2,995	2,311	2,968	2,263	-	23	27	25
Provincial	1,830	75	1,785	36	45	37	-	2
Municipal	76	84	76	11	-	73	-	-
Guaranteed by the Dominion	766	14	766	8	-	-	-	6
Railway, other	1,099	176	1,099	75	-	100	-	-
Other Corporations	4,193	2,660	4,176	2,538	17	120	-	2
United States New Issues								
Government	-	125	-	125	-	-	-	-
Other	-	1	-	1	-	-	-	-
United States Outstanding Issues								
Government	940	898	940	898	-	-	-	-
Other	252	116	252	116	-	-	-	-
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	-	13	-	10	-	3	-	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	14	-	14	-	-	-	-
Other Countries Outstanding Issues	268	68	268	41	-	27	-	-
Unspecified Bonds and Debentures	1,548	1,377	1,548	1,377	-	-	-	-
<u>Common and Preference Stocks</u>								
Canadian	12,349	18,024	11,547	14,116	124	3,470	678	437
United States	6,715	4,511	6,715	4,511	-	-	-	-
United Kingdom	18	14	18	14	-	-	-	-
Other Countries	3	3	-	-	3	3	-	-
<u>Short-Term Securities (1 yr. or less)</u> ...	995	945	995	945	-	-	-	-
<u>Other Securities</u>								
Canadian	28	8	28	8	-	-	-	-
United States	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	-	8	-	-	-	8	-	-
TOTAL	34,400	31,445	33,491	27,107	189	3,864	720	472

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, 1950

Table 2A

(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>	54,552	43,560	52,778	40,497	1,186	2,506	589	558
Canadian New Issues	1,594	-	1,393	-	184	-	17	-
Canadian Outstanding Issues								
Dominion	10,107	14,384	9,790	14,058	104	88	213	238
Provincial	5,667	1,189	5,497	701	169	453	1	37
Municipal	515	854	492	188	23	661	-	5
Guaranteed by the Dominion	1,944	155	1,944	120	-	28	-	6
Railway, other	2,302	793	2,292	471	10	321	-	-
Other Corporations	18,905	11,712	17,864	10,948	684	494	358	271
United States New Issues								
Government	-	529	-	529	-	-	-	-
Other	-	75	-	75	-	-	-	-
United States Outstanding Issues								
Government	6,879	7,819	6,879	7,819	-	-	-	-
Other	2,309	616	2,309	616	-	-	-	-
United Kingdom New Issues								
Government	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government	12	34	-	10	12	24	-	-
Other	-	-	-	-	-	-	-	-
Other Countries New Issues	-	25	-	25	-	-	-	-
Other Countries Outstanding Issues ...	1,345	766	1,345	328	-	437	-	1
Unspecified Bonds and Debentures	2,973	4,609	2,973	4,609	-	-	-	-
<u>Common and Preference Stocks</u>								
Canadian	54,436	70,087	49,548	55,563	1,038	12,525	3,850	1,998
United States	36,689	22,364	36,552	22,360	135	-	1	4
United Kingdom	50	14	41	14	9	-	-	-
Other Countries	135	22	38	3	6	12	91	7
<u>Short-Term Securities (1 yr. or less)</u> ..	3,046	3,554	3,046	3,554	-	-	-	-
<u>Other Securities</u>								
Canadian	91	216	91	216	-	-	-	-
United States	3	-	3	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-
Other Countries	26	8	26	-	-	8	-	-
TOTAL	149,028	139,825	142,123	122,207	2,374	15,051	4,531	2,567

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 1950
(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>	23,661	23,352	22,755	19,055	186	3,823	720	472
Bonds and Debentures	11,284	5,320	11,180	4,931	62	353	42	35
Common and Preference Stocks	12,349	18,024	11,547	14,116	124	3,470	678	437
Other Securities	28	8	28	8	-	-	-	-
<u>United States Securities, Total</u>	7,907	5,651	7,907	5,651	-	-	-	-
Bonds and Debentures	1,192	1,140	1,192	1,140	-	-	-	-
Common and Preference Stocks	6,715	4,511	6,715	4,511	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	18	27	18	24	-	3	-	-
Bonds and Debentures	-	13	-	10	-	3	-	-
Common and Preference Stocks	18	14	18	14	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	271	93	268	55	3	38	-	-
Bonds and Debentures	268	82	268	55	-	27	-	-
Common and Preference Stocks	3	3	-	-	3	3	-	-
Other Securities	-	8	-	-	-	8	-	-
<u>Short-Term Securities (1 yr. or less)</u> ..	995	945	995	945	-	-	-	-
<u>Unspecified Bonds and Debentures</u>	1,548	1,377	1,548	1,377	-	-	-	-
<u>TOTAL</u>	34,400	31,445	33,491	27,107	189	3,864	720	472

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, 1950
(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>	95,561	99,390	88,911	82,265	2,212	14,570	4,439	2,555
Bonds and Debentures	41,034	29,087	39,272	26,486	1,174	2,045	589	557
Common and Preference Stocks	54,436	70,087	49,548	55,563	1,038	12,525	3,850	1,998
Other Securities	91	216	91	216	-	-	-	-
<u>United States Securities, Total</u>	45,880	31,403	45,743	31,399	135	-	1	4
Bonds and Debentures	9,188	9,039	9,188	9,039	-	-	-	-
Common and Preference Stocks	36,689	22,364	36,552	22,360	135	-	1	4
Other Securities	3	-	3	-	-	-	-	-
<u>United Kingdom Securities, Total</u>	62	48	41	24	21	24	-	-
Bonds and Debentures	12	34	-	10	12	24	-	-
Common and Preference Stocks	50	14	41	14	9	-	-	-
Other Securities	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total</u>	1,506	821	1,409	356	6	457	91	8
Bonds and Debentures	1,345	791	1,345	353	-	437	-	1
Common and Preference Stocks	135	22	38	3	6	12	91	7
Other Securities	26	8	26	-	-	8	-	-
<u>Short-Term Securities (1 yr. or less).</u>	3,046	3,554	3,046	3,554	-	-	-	-
<u>Unspecified Bonds and Debentures</u>	2,973	4,609	2,973	4,609	-	-	-	-
<u>TOTAL</u>	149,028	139,825	142,123	122,207	2,374	15,051	4,531	2,567

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
<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
June	102.55	2.73	98.08	3.14	102.91	2.25

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



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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	(Industrials Railroads and Utilities)
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
1946 - December	106.4	70.9	83.7	125.5
1947 - December	106.2	74.8	86.6	122.4
<u>1948</u> - 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
June	132.0	70.2	90.5	147.7