



DOMINION BUREAU OF STATISTICS  
International Trade Division  
OTTAWA

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

MAR 26 1960

LIBRARY  
BIBLIOTHEQUE

Vol. 16, No. 7  
2-4020

\$1.00 a year  
Single copies 10 cents

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

JULY 1950

Security transactions between Canada and other countries in July resulted in a sales balance of \$10.2 million, the highest monthly sales balance since June 1946. The net inflow of capital in July was greater than that occurring in the first six months of this year or in the whole of 1949, while transactions in 1947 and 1948 produced net outflows of capital. This inflow in July chiefly took the form of increased sales of Dominion bonds to United States investors and larger liquidations of Canadian holdings of United States securities. At the same time repurchases of Canadian securities from the United Kingdom were less than in earlier months.

As a consequence of July transactions, cumulative net sales to all countries at the end of seven months were increased to \$19.4 million with net sales of \$30.5 million to the United States. This situation stands in contrast to that which prevailed at the end of the corresponding period last year, when cumulative sales and purchases were almost evenly divided in a lower volume of trading.

The marked increase in the sales balance in July was mainly due to transactions with the United States. Net sales to the United States increased to \$10.6 million, of which more than half was made up of net sales of Canadian securities and slightly less than half of United States securities. Total sales to the United States were higher than those prevailing in most months of this year while purchases dropped sharply, notably purchases of Dominion bonds and United States stocks. In these two groups of securities there were the largest expansions in sales and the resulting sales balances were the principal form of capital inflow in July. There was also a small sales balance of Canadian stocks in the United States in contrast to a purchase balance in the previous month.

Security transactions with the United Kingdom effected an increase in sales but a sharp decrease in purchases, thus lowering the purchase balance in the previous month to \$0.8 million, the lowest level since August 1949.

Sales to other countries amounted to \$0.8 million and purchases to \$0.4 million, which gave rise to a sales balance of \$0.4 million.

Prices of representative government bonds in Table 4 declined from levels prevailing in the previous month. The largest decrease occurred in the quotation on the United Kingdom issue.

Stock prices broke sharply in July, coinciding with the primary stages of the invasion of Southern Korea. Substantial decreases are shown in all index numbers of common stock prices in Canada and the United States listed in Table 5.

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**

**Table 1**

(Millions of dollars)

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.-
<b>1948</b>												
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
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
<b>1949</b>												
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
<b>1950</b>												
Total (7 mos.) ..	176.9	157.5	+ 19.4	168.9	138.4	+ 30.5	2.7	16.1	- 13.4	5.3	3.0	+ 2.3
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
July .....	27.9	17.7	+ 10.2	26.8	16.2	+ 10.6	0.3	1.1	- 0.8	0.8	0.4	+ 0.4

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, JULY 1950

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>	11,365	5,340	10,967	4,960	221	235	177	145
Canadian New Issues .....	-	-	-	-	-	-	-	-
Canadian Outstanding Issues .....								
Dominion .....	5,592	1,639	5,590	1,627	1	2	1	10
Provincial .....	645	114	645	26	-	42	-	46
Municipal .....	234	156	114	4	120	152	-	-
Guaranteed by the Dominion .....	745	7	745	7	-	-	-	-
Railway, other .....	337	10	337	9	-	-	-	1
Other Corporations .....	1,531	1,951	1,256	1,862	99	1	176	88
United States New Issues .....								
Government .....	-	337	-	337	-	-	-	-
Other .....	-	3	-	3	-	-	-	-
United States Outstanding Issues ....								
Government .....	1,357	247	1,357	247	-	-	-	-
Other .....	226	460	226	460	-	-	-	-
United Kingdom New Issues .....								
Government .....	-	9	-	-	-	9	-	-
Other .....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues ...								
Government .....	-	-	-	-	-	-	-	-
Other .....	1	-	-	-	1	-	-	-
Other Countries New Issues .....	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues ..	69	42	69	13	-	29	-	-
Unspecified Bonds and Debentures ....	628	365	628	365	-	-	-	-
<u>Common &amp; Preference Stocks</u>								
Canadian .....	9,251	9,456	8,591	8,342	76	828	583	286
United States .....	7,243	2,874	7,216	2,863	-	-	27	11
United Kingdom .....	-	-	-	-	-	-	-	-
Other Countries .....	-	-	-	-	-	-	-	-
<u>Short-Term Securities (1 yr. or less)</u>	-	-	-	-	-	-	-	-
<u>Other Securities</u>								
Canadian .....	17	17	17	17	-	-	-	-
United States .....	26	-	26	-	-	-	-	-
United Kingdom .....	-	-	-	-	-	-	-	-
Other Countries .....	-	1	-	-	-	-	-	1
<b>TOTAL .....</b>	<b>27,902</b>	<b>17,688</b>	<b>26,817</b>	<b>16,182</b>	<b>297</b>	<b>1,063</b>	<b>787</b>	<b>443</b>

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, SEVEN MONTHS ENDING JULY 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	Sales to	Purchases from
Bonds and Debentures, Total .....	65,917	48,900	63,745	45,457	1,407	2,741	766	703
Canadian New Issues .....	1,594	-	1,393	-	184	-	17	-
Canadian Outstanding Issues .....								
Dominion .....	15,699	16,023	15,380	15,685	105	90	214	248
Provincial .....	6,312	1,303	6,142	727	169	495	1	83
Municipal .....	749	1,010	606	192	143	813	-	5
Guaranteed by the Dominion .....	2,689	162	2,689	127	-	28	-	6
Railway, other .....	2,639	803	2,629	480	10	321	-	1
Other Corporations .....	20,436	13,663	19,120	12,810	783	495	534	359
United States New Issues .....								
Government .....	-	866	-	866	-	-	-	-
Other .....	-	78	-	78	-	-	-	-
United States Outstanding Issues .....								
Government .....	8,236	8,066	8,236	8,066	-	-	-	-
Other .....	2,535	1,076	2,535	1,076	-	-	-	-
United Kingdom New Issues .....								
Government .....	-	9	-	-	-	9	-	-
Other .....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues ...								
Government .....	12	34	-	10	12	24	-	-
Other .....	1	-	-	-	1	-	-	-
Other Countries New Issues .....	-	25	-	25	-	-	-	-
Other Countries Outstanding Issues ..	1,414	808	1,414	341	-	466	-	1
Unspecified Bonds and Debentures ....	3,601	4,974	3,601	4,974	-	-	-	-
Common & Preference Stocks .....								
Canadian .....	63,687	79,543	58,139	63,905	1,114	13,353	4,433	2,284
United States .....	43,932	25,238	43,768	25,223	135	-	28	15
United Kingdom .....	50	14	41	14	9	-	-	-
Other Countries .....	135	22	38	3	6	12	91	7
Short-Term Securities (1 yr. or less) .....	3,046	3,554	3,046	3,554	-	-	-	-
Other Securities .....								
Canadian .....	108	233	108	233	-	-	-	-
United States .....	29	-	29	-	-	-	-	-
United Kingdom .....	-	-	-	-	-	-	-	-
Other Countries .....	26	9	26	-	-	8	-	1
TOTAL .....	176,930	157,513	168,940	138,389	2,671	16,114	5,318	3,010

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, JULY 1950  
 (Thousands of dollars)

Table 3

	Total Sales	Total Purchases	United States Sales to	United States Purchases from	United Kingdom Sales to	Kingdom Purchases from	Other Sales to	Countries Purchases from
<u>Canadian Securities, Total .....</u>	18,352	13,350	17,295	11,894	296	1,025	760	431
Bonds and Debentures .....	9,084	3,877	8,687	3,535	220	197	177	145
Common and Preference Stocks .....	9,251	9,456	8,591	8,342	76	828	583	286
Other Securities .....	17	17	17	17	-	-	-	-
<u>United States Securities, Total ....</u>	8,852	3,921	8,825	3,910	-	-	27	11
Bonds and Debentures .....	1,583	1,047	1,583	1,047	-	-	-	-
Common and Preference Stocks .....	7,243	2,874	7,216	2,863	-	-	27	11
Other Securities .....	26	-	26	-	-	-	-	-
<u>United Kingdom Securities, Total ...</u>	1	9	-	-	1	9	-	-
Bonds and Debentures .....	1	9	-	-	1	9	-	-
Common and Preference Stocks .....	-	-	-	-	-	-	-	-
Other Securities .....	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total ..</u>	69	43	69	13	-	29	-	1
Bonds and Debentures .....	69	42	69	13	-	29	-	-
Common and Preference Stocks .....	-	-	-	-	-	-	-	-
Other Securities .....	-	1	-	-	-	-	-	1
<u>Short-Term Securities ( 1 yr.or less)</u>	-	-	-	-	-	-	-	-
<u>Unspecified Bonds and Debentures....</u>	628	365	628	365	-	-	-	-
<u>TOTAL .....</u>	27,902	17,688	26,817	16,182	297	1,063	787	443

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 SEVEN MONTHS ENDING, JULY 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 Sales to	Countries Purchases from
<u>Canadian Securities, Total .....</u>	113,913	112,740	106,206	94,159	2,508	15,595	5,199	2,986
Bonds and Debentures .....	50,118	32,964	47,959	30,021	1,394	2,242	766	702
Common and Preference Stocks .....	63,687	79,543	58,139	63,905	1,114	13,353	4,433	2,284
Other Securities .....	108	233	108	233	-	-	-	-
<u>United States Securities, Total ....</u>	54,732	35,324	54,568	35,309	135	-	28	15
Bonds and Debentures .....	10,771	10,086	10,771	10,086	-	-	-	-
Common and Preference Stocks .....	43,932	25,238	43,768	25,223	135	-	28	15
Other Securities .....	29	-	29	-	-	-	-	-
<u>United Kingdom Securities, Total ...</u>	63	57	41	24	22	33	-	-
Bonds and Debentures .....	13	43	-	10	13	33	-	-
Common and Preference Stocks .....	50	14	41	14	9	-	-	-
Other Securities .....	-	-	-	-	-	-	-	-
<u>Other Countries Securities, Total ..</u>	1,575	864	1,478	369	6	486	91	9
Bonds and Debentures .....	1,414	833	1,414	366	-	466	-	1
Common and Preference Stocks .....	135	22	38	3	6	12	91	7
Other Securities .....	26	9	26	-	-	8	-	1
<u>Short-Term Securities (1 yr. or less)</u>	3,046	3,554	3,046	3,554	-	-	-	-
<u>Unspecified Bonds and Debentures....</u>	3,601	4,974	3,601	4,974	-	-	-	-
<b>TOTAL .....</b>	<b>176,930</b>	<b>157,513</b>	<b>168,940</b>	<b>138,389</b>	<b>2,671</b>	<b>16,114</b>	<b>5,318</b>	<b>3,010</b>

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
<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
December .....	100.75	2.93	103.42	2.62	101.34	2.39
<b>1949</b>						
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
<b>1950</b>						
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
July .....	102.20	2.77	96.72	3.23	102.73	2.26

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



1010510120

- 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		
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> - 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 .....	130.9 (1)	70.2	90.5	147.7	
July .....	124.3	58.5	80.9	138.2	

(1) Revised.

500

-11-10-50-