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SALES AND PURCHASES OF SECURITIES  
BETWEEN CANADA AND OTHER COUNTRIES

JUNE, 1953Security Transactions - Second Quarter, 1953

During the second quarter of the year, portfolio security transactions led to a capital outflow of \$76 million contrasting with the inflow of \$97 million recorded in the first quarter. New issues of Canadian securities totalling \$50 million were well below the high level record in the preceding quarter and were more than offset by the retirements of \$92 million which were dominated by the repurchase by the Government of Canada in May of \$75 million of 3/63 (External Loan). This special transaction accounted for most of the net outflow in the quarter and was also the principal factor contributing to the decrease in Canada's official holdings of gold and U.S. dollars which occurred in this period.

Trade in outstanding Canadian issues led to an outflow of \$36 million reflecting largely \$49 million net repurchases of government obligations and \$14 million net sales of corporate stocks and bonds. Net repatriation from the United States through trading was actually of the order of \$49 million as there were significant sales balances with the United Kingdom and other overseas countries. On balance, Canadians continued to liquidate holdings of foreign securities during the quarter.

Security Transactions between Canada and Other Countries

Net Sales (+) or Purchases (-) by Canadians.	1952			1953 P	
	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter
(Millions of dollars)					
<b>Canadian securities</b>					
Outstanding issues .....	- 19	- 51	- 25	+ 10	- 36
New issues .....	+ 161	+ 23	+ 46	+ 111	+ 50
Retirements .....	- 41	- 7	- 29	- 25	- 92
<b>Foreign securities</b>					
Outstanding issues .....	+ 2	+ 2	-	+ 1	+ 3
New issues .....	- 1	-	-	- 1	- 1
Retirements .....	-	-	-	+ 1	-
	+ 102	- 33	- 8	+ 97	- 76

p - preliminary.

Trade in Outstanding Securities - June, 1953

Trade in outstanding securities in June resulted in a purchase balance of \$23 million. Repatriation of government obligations held in the United States was the principal factor contributing to this capital outflow.

Statistics on the following pages of this bulletin cover transactions in outstanding securities reported by investment firms, stock exchanges, and other security dealers in Canada. Not included are sales of new issues and redemptions of called or matured securities, security transactions of a short-term character analogous to changes in bank balances, and some transactions by other than reporting agencies. Complete statistics of capital movements are published in the annual reports on The Canadian Balance of International Payments.

Readers of this bulletin may be interested in two new D.B.S. reports to be published shortly. The Canadian Balance of International Payments in the Post-War Years, 1946-1952, contains an extensive review of this period and includes new and revised data including quarterly estimates. A new quarterly series of reports is also to be published covering estimates of the current account and details of capital movements not covered in this bulletin; the first issue will include preliminary data for the first and second quarters of 1953.

Prepared in Balance of Payments Section.  
7503-504: 13-8-53.

**TABLE 1. Sales and Purchases of Securities Between Canada and Other Countries**  
 (Millions of dollars)

Year and Month	Total Transactions			United States			United Kingdom			Other Foreign Countries		
	Sales to	Purchases from	Net Sales + Purch.-	Sales to	Purchases from	Net Sales + Purch.-	Sales to	Purchases from	Net Sales + Purch.-	Sales to	Purchases from	Net Sales + Purch.-
1951												
Total (12 mos.).....	596.4	578.7	+ 17.7	539.6	545.3	- 5.7	11.2	18.7	- 7.5	45.6	14.6	+31.0
1952												
Total (12 mos.).....	507.7	585.8	- 77.9	450.1	542.5	- 92.4	25.2	25.3	- 0.1	32.4	17.8	+14.6
January .....	56.1	49.8	+ 6.5	49.8	45.8	+ 4.0	1.2	1.5	- 0.3	5.0	2.2	+ 2.8
February .....	46.1	44.7	+ 1.4	41.4	40.4	+ 1.0	1.0	2.3	- 1.3	3.7	2.0	+ 1.7
March .....	47.8	47.8	+ 0.2	43.8	43.8	0.0	1.2	2.0	- 0.8	2.7	1.8	+ 0.9
April .....	69.5	68.7	+ 2.8	64.4	61.0	+ 3.4	2.5	3.7	- 1.2	2.6	2.0	+ 0.6
May .....	44.4	53.7	- 9.3	40.8	49.7	- 8.9	2.3	2.9	- 0.6	1.4	1.2	+ 0.2
June .....	33.0	40.4	- 7.4	28.0	36.4	- 8.4	2.2	2.6	- 0.4	2.8	1.4	+ 1.4
July .....	34.2	50.5	- 16.3	29.8	47.7	- 17.9	1.8	1.5	+ 0.3	2.5	1.4	+ 1.1
August .....	37.0	58.8	- 21.8	33.4	54.7	- 21.3	1.7	0.9	+ 0.8	1.9	1.2	+ 0.7
September .....	33.7	47.5	- 13.8	29.3	45.1	- 15.8	2.0	1.1	+ 0.9	2.5	1.3	+ 1.2
October .....	30.5	62.8	- 32.3	28.2	58.0	- 31.8	2.1	3.7	- 1.8	2.3	1.2	+ 1.1
November .....	30.7	34.1	- 3.4	24.9	31.4	- 6.5	3.8	1.8	+ 2.0	2.0	0.8	+ 1.2
December .....	44.7	31.3	+ 13.4	38.3	28.4	+ 9.9	3.5	1.4	+ 2.1	2.9	1.4	+ 1.5
1953												
Total (6 mos.).....	273.8	295.5	- 21.7	263.2	266.3	- 43.0	21.8	11.2	+10.6	28.7	18.0	+10.7
January .....	43.3	48.6	- 5.3	38.7	45.1	- 6.4	2.0	2.4	- 0.4	2.7	1.2	+ 1.5
February .....	48.3	45.8	+ 2.5	42.2	42.2	0.0	2.9	1.3	+ 1.6	3.1	2.2	+ 0.9
March .....	56.3	42.1	+ 14.2	46.1	36.4	+ 9.7	6.1	1.6	+ 4.5	4.2	4.1	+ 0.1
April .....	43.7	44.2	- 0.5	34.2	39.7	- 5.5	4.1	2.0	+ 2.1	5.3	2.4	+ 3.0
May .....	43.2	53.4	- 10.1	32.1	48.5	- 16.4	2.7	1.4	+ 1.2	8.5	3.4	+ 5.1
June .....	38.9	61.4	- 22.6	30.0	54.3	- 24.4	4.0	2.4	+ 1.7	4.8	4.7	+ 0.1
July .....												
August .....												
September .....												
October .....												
November .....												
December .....												

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

TABLE 2. Analysis of Trade in Securities Between Canada and Other Countries

June, 1953

(Thousands of dollars)

	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Bonds and Debentures, Total .....	10,869	37,183	5,521	32,098	3,199	1,584	2,149	3,501
<i>Canadian Issues:</i>								
Government of Canada — Direct .....	3,562	21,261	1,301	16,521	1,543	1,435	718	3,305
Government of Canada — Guaranteed ....	885	5,437	794	5,433	-	-	91	4
Provincial .....	1,952	2,609	701	2,599	335	1	916	9
Municipal .....	19	43	18	33	1	10	-	-
Railway, not guaranteed by Government	438	792	200	755	173	1	65	36
Other Corporations .....	2,803	1,568	1,549	1,509	909	11	345	48
<i>United States Issues:</i>								
Government.....	322	4,747	322	4,747	-	-	-	-
Other .....	448	426	448	426	-	-	-	-
<i>United Kingdom Issues:</i>								
Government .....	124	42	-	-	124	42	-	-
Other .....	24	76	-	-	24	76	-	-
Other Foreign Countries Issues .....	292	182	188	75	90	8	14	99
<i>Common &amp; Preference Stocks:</i>								
Canadian .....	20,164	17,803	16,922	16,110	756	719	2,486	974
United States .....	7,164	5,609	7,057	5,331	-	42	107	236
United Kingdom .....	92	47	-	34	92	13	-	-
Other Foreign Countries .....	-	18	-	1	-	-	-	17
<i>Short-Term Securities (1 yr. or less):</i>								
Canadian .....	-	-	-	-	-	-	-	-
Other Countries .....	28	-	28	-	-	-	-	-
<i>Other Securities:</i>								
Canadian .....	514	329	408	329	-	-	106	-
Other Countries .....	24	420	24	420	-	-	-	-
Total .....	38,855	61,409	29,960	54,323	4,047	2,358	4,848	4,728

TABLE 2A. Analysis of Trade in Securities Between Canada and Other Countries

Six months ending June, 1953

(Millions of dollars)

	Total Sales	Total Purchases	Net Sales + Purch. -	United States			United Kingdom			Other Foreign Countries		
				Sales to	Purchases from	Net Sales + Purch. -	Sales to	Purchases from	Net Sales + Purch. -	Sales to	Purchases from	Net Sales + Purch. -
<b>Bonds and Debentures, Total</b>	62.9	115.9	-53.0	38.7	105.2	-66.5	11.2	3.4	+ 7.8	13.0	7.3	+ 5.8
<i>Canadian Issues:</i>												
Government of Canada — Direct	26.7	65.2	-38.6	12.9	57.4	-44.5	5.1	1.8	+ 3.3	8.7	6.0	+ 2.6
Government of Canada — Guaranteed	2.5	10.4	- 7.9	2.2	10.3	- 8.1	-	-	-	0.2	0.1	+ 0.2
Provincial	7.3	15.4	- 8.1	3.5	15.1	-11.7	2.2	0.2	+ 1.9	1.6	-	+ 1.6
Municipal	0.4	1.0	- 0.6	0.3	0.9	- 0.6	0.1	0.1	-	-	-	-
Railway, not guaranteed by Government	4.9	2.8	+ 2.1	4.2	2.4	+ 1.7	0.4	0.3	+ 0.1	0.3	0.1	+ 0.2
Other Corporations	11.8	10.5	+ 1.3	7.8	9.3	- 1.5	1.9	0.5	+ 1.4	2.1	0.7	+ 1.4
<i>United States Issues:</i>												
Government	4.9	7.6	- 2.7	4.9	7.6	- 2.7	-	-	-	-	-	-
Other	2.3	2.0	+ 0.3	2.3	1.9	+ 0.4	-	-	-	-	0.1	- 0.1
<i>United Kingdom Issues:</i>												
Government	0.8	0.2	+ 0.7	0.1	-	+ 0.1	0.7	0.1	+ 0.6	-	-	-
Other	0.5	0.1	+ 0.4	-	-	-	0.5	0.1	+ 0.5	-	-	-
Other Foreign Countries Issues	0.8	0.7	+ 0.1	0.6	0.2	+ 0.4	0.2	0.3	- 0.1	-	0.2	- 0.1
<i>Common &amp; Preference Stocks:</i>												
Canadian	157.4	130.6	+26.8	132.2	113.8	+18.4	10.1	6.8	+ 3.3	15.1	10.1	+ 5.1
United States	49.1	44.7	+ 4.4	48.8	43.7	+ 5.1	-	0.5	- 0.5	0.3	0.6	- 0.3
United Kingdom	0.9	0.3	+ 0.6	0.5	0.2	+ 0.3	0.3	0.1	+ 0.2	-	-	-
Other Foreign Countries	0.3	0.2	-	0.1	-	+ 0.1	-	0.2	- 0.1	0.1	0.1	-
<i>Short-Term Securities (1 yr. or less):</i>												
Canadian	-	0.6	- 0.6	-	0.4	- 0.4	-	0.2	- 0.2	-	-	-
Other Countries	0.2	-	+ 0.2	0.1	-	+ 0.1	0.1	-	+ 0.1	-	-	-
<i>Other Securities:</i>												
Canadian	2.9	2.6	+ 0.2	2.7	2.6	+ 0.1	-	-	-	0.1	-	+ 0.1
Other Countries	0.1	0.5	- 0.4	0.1	0.5	- 0.4	-	-	-	-	-	-
<b>Total</b>	273.8	295.5	-21.7	223.2	266.3	-43.0	21.8	11.2	+10.6	28.7	18.0	+10.7

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

TABLE 3. Sales and Purchases of Securities Between Canada and Other Countries by Nationality and Class of Security

June, 1953  
(Thousands of dollars)

	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
<b>Canadian Securities, Total</b> .....	30,337	49,842	21,893	43,289	3,717	2,177	4,727	4,376
Bonds and Debentures .....	9,659	31,710	4,563	26,850	2,961	1,458	2,135	3,402
Common and Preference Stocks .....	20,164	17,803	16,922	16,110	756	719	2,486	974
Short-term securities (1 yr. or less) .....	-	-	-	-	-	-	-	-
Other Securities .....	514	329	408	329	-	-	106	-
<b>United States Securities, Total</b> .....	7,934	10,782	7,827	10,504	-	42	107	236
Bonds and Debentures .....	770	5,173	770	5,173	-	-	-	-
Common and Preference Stocks .....	7,164	5,609	7,057	5,331	-	42	107	236
<b>United Kingdom Securities, Total</b> .....	240	165	-	34	240	131	-	-
Bonds and Debentures .....	148	118	-	-	148	118	-	-
Common and Preference Stocks .....	92	47	-	34	92	13	-	-
<b>Other Foreign Countries Securities, Total</b> ....	292	200	188	76	90	8	14	116
Bonds and Debentures .....	292	182	188	75	90	8	14	99
Common and Preference Stocks .....	-	18	-	1	-	-	-	17
<b>Foreign Short-Term Securities (1 yr. or less)</b>	28	-	28	-	-	-	-	-
<b>Foreign Other Securities</b> .....	24	420	24	420	-	-	-	-
<b>Total</b> .....	38,855	61,409	29,960	54,323	4,047	2,358	4,848	4,728

TABLE 3A. Sales and Purchases of Securities Between Canada and Other Countries by Nationality and Class of Security

Six months ending June, 1953

(Millions of dollars)

	Total Sales	Total Purchases	Net Sales + Purch.-	United States			United Kingdom			Other Foreign Countries		
				Sales to	Purchases from	Net Sales + Purch.-	Sales to	Purchases from	Net Sales + Purch.-	Sales to	Purchases from	Net Sales + Purch.-
<b>Canadian Securities, Total</b>	213.8	239.2	-25.4	165.8	212.2	-46.4	19.8	9.9	+ 9.9	28.2	17.0	+11.2
Bonds and Debentures	53.5	105.3	-51.8	30.9	95.5	-64.6	9.7	2.9	+ 6.8	13.0	6.9	+ 6.0
Common and Preference Stocks	157.4	130.6	+26.8	132.2	113.8	+18.4	10.1	6.8	+ 3.3	15.1	10.1	+ 5.1
Short-term securities (1 yr. or less)	-	0.6	- 0.6	-	0.4	- 0.4	-	0.2	- 0.2	-	-	-
Other Securities	2.9	2.6	+ 0.2	2.7	2.6	+ 0.1	-	-	-	0.1	-	+ 0.1
<b>United States Securities, Total</b>	56.3	54.4	+ 1.9	55.9	53.2	+ 2.8	-	0.5	- 0.5	0.3	0.7	- 0.4
Bonds and Debentures	7.2	9.6	- 2.4	7.1	9.5	- 2.3	-	-	-	-	0.1	- 0.1
Common and Preference Stocks	49.1	44.7	+ 4.4	48.8	43.7	+ 5.1	-	0.5	- 0.5	0.3	0.6	- 0.3
<b>United Kingdom Securities, Total</b>	2.3	0.6	+ 1.7	0.6	0.2	+ 0.4	1.6	0.3	+ 1.3	-	-	-
Bonds and Debentures	1.4	0.3	+ 1.1	0.1	-	+ 0.1	1.3	0.2	+ 1.1	-	-	-
Common and Preference Stocks	0.9	0.3	+ 0.6	0.5	0.2	+ 0.3	0.3	0.1	+ 0.2	-	-	-
<b>Other Foreign Countries Securities, Total</b>	1.1	0.9	+ 0.2	0.8	0.2	+ 0.5	0.2	0.4	- 0.3	0.1	0.3	- 0.1
Bonds and Debentures	0.8	0.7	+ 0.1	0.6	0.2	+ 0.4	0.2	0.3	- 0.1	-	0.2	- 0.1
Common and Preference Stocks	0.3	0.2	-	0.1	-	+ 0.1	-	0.2	- 0.1	0.1	0.1	-
<b>Foreign Short-Term Securities (1 yr. or less)</b>	0.2	-	+ 0.2	0.1	-	+ 0.1	0.1	-	+ 0.1	-	-	-
<b>Foreign Other Securities</b>	0.1	0.5	- 0.4	0.1	0.5	- 0.4	-	-	-	-	-	-
<b>Total</b>	273.8	295.5	-21.7	223.2	266.3	-43.0	21.8	11.2	+10.6	28.7	18.0	+10.7

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

TABLE 4. Quotations and Yields for Domestic Government Bonds  
in Canada, The United Kingdom and United States

	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
1950 — July .....	102.20	2.77	98.72	3.23	102.73	2.28
August .....	102.41	2.75	97.10	3.21	102.69	2.26
September .....	102.88	2.70	98.11	3.14	102.41	2.29
October .....	102.16	2.77	99.29	3.05	102.16	2.31
November .....	101.21	2.87	99.26	3.05	101.98	2.32
December .....	100.24	2.97	98.30	3.12	101.73	2.35
1951 — January .....	99.94	3.01	98.34	3.12	101.96	2.32
February .....	99.94	3.01	98.44	3.26	101.87	2.33
March .....	97.88	3.17	98.27	3.28	100.19	2.48
April .....	97.49	3.21	95.27	3.35	98.68	2.59
May .....	97.54	3.20	94.25	3.43	97.41	2.89
June .....	97.12	3.24	92.78	3.55	97.24	2.70
July .....	97.51	3.21	93.12	3.53	97.77	2.66
August .....	97.36	3.22	93.14	3.53	98.84	2.58
September .....	97.19	3.24	93.03	3.54	99.06	2.57
October .....	97.00	3.28	92.69	3.57	97.99	2.65
November .....	96.26	3.32	90.98	3.71	97.45	2.69
December .....	94.86	3.45	87.50	4.01	97.22	2.71
1952 — January .....	94.40	3.49	86.47	4.10	97.03	2.72
February .....	94.32	3.50	85.81	4.17	97.15	2.71
March .....	94.18	3.52	84.48	4.29	97.39	2.70
April .....	94.23	3.52	85.47	4.21	98.64	2.60
May .....	94.82	3.46	84.59	4.29	99.64	2.53
June .....	94.57	3.49	82.77	4.47	99.32	2.55
July .....	93.74	3.57	82.96	4.45	99.30	2.55
August .....	93.32	3.61	85.07	4.26	98.09	2.65
September .....	93.24	3.62	86.62	4.12	97.56	2.68
October .....	93.56	3.59	86.20	4.17	97.42	2.70
November .....	93.75	3.58	86.84	4.11	98.00	2.65
December .....	93.74	3.58	86.45	4.15	97.69	2.68
1953 — January .....	93.68	3.59	86.39	4.16	96.96	2.74
February .....	93.57	3.60	87.21	4.09	98.51	2.77
March .....	93.62	3.60	88.55	3.97	95.58	2.85
April .....	93.51	3.62	89.69	3.87	95.00	2.90
May .....	93.26	3.64	90.16	3.83	93.24	3.05
June .....	92.69	3.70	90.02	3.85	92.56	3.11

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

TABLE 5. Index Numbers of Common Stocks Prices in Canada and the United States  
(1935 - 1939 = 100)

	Canada (Dominion Bureau of Statistics)			United States Standard and Poor's Composite Stock Index of Industrials, Railroads and Utilities	
	Investors' Price Index	Mining Stocks			
	(Industrials Utilities Banks)	Gold Stocks	Composite Mining Index		
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	
1948 — December .....	115.8	63.0	84.2	119.4	
1949 — December .....	117.9	74.2	92.4	132.7	
1950 — July .....	124.3	58.5	80.9	138.2	
August .....	135.7	61.6	86.9	147.2	
September .....	141.5	62.7	90.0	151.7	
October .....	145.4	64.0	91.7	157.8	
November .....	144.5	61.1	90.0	156.1	
December .....	146.3	59.8	88.2	158.4	
1951 — January .....	153.8	68.8	97.6	168.6	
February .....	166.5	74.3	104.7	174.7	
March .....	162.9	71.2	100.3	170.3	
April .....	165.6	66.8	96.7	172.3	
May .....	164.2	63.7	92.5	173.9	
June .....	160.7	63.7	90.6	171.7	
July .....	162.0	65.5	92.7	172.8	
August .....	169.7	69.7	97.7	181.5	
September .....	179.8	73.7	104.0	187.3	
October .....	183.3	75.3	107.5	185.0	
November .....	174.0	71.9	102.4	177.7	
December .....	177.3	73.2	103.4	182.5	
1952 — January .....	181.7	72.0	104.2	187.1	
February .....	179.5	71.2	102.6	183.2	
March .....	177.5	73.4	102.7	185.2	
April .....	175.8	77.0	102.8	183.6	
May .....	169.0	75.1	101.4	183.7	
June .....	171.6	75.5	102.0	187.6	
July .....	174.9	76.6	107.0	192.1	
August .....	176.0	77.6	110.2	191.1	
September .....	171.6	74.4	106.6	188.2	
October .....	163.6	69.5	99.1	183.4	
November .....	167.3	71.1	100.8	189.8	
December .....	168.4	73.2	103.4	197.0	
1953 — January .....	172.3	73.5	106.0	197.6	
February .....	169.0	72.2	103.2	195.9	
March .....	170.0	70.1	101.7	198.0	
April .....	160.8	69.2	96.5	190.0	
May .....	159.8	68.9	93.8	189.6	
June .....	156.8	66.8	90.2	182.8	