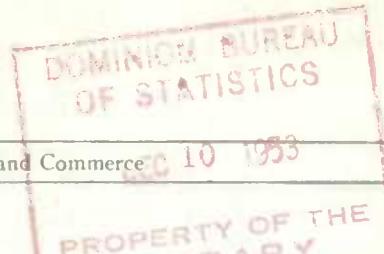




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**SALES AND PURCHASES OF SECURITIES
BETWEEN CANADA AND OTHER COUNTRIES
SEPTEMBER, 1953**

Security Transactions - Third Quarter, 1953

During the third quarter of the year, portfolio security transactions resulted in a capital inflow of \$1 million contrasting with a capital outflow of \$80 million in the second quarter which was dominated by the repurchase by the Government of Canada in May of \$75 million of 3/63 (External Loan). New issues of Canadian securities which amounted to \$15 million in the third quarter were lower than the amounts recorded in any quarter since the fourth quarter of 1950.

Trade in outstanding Canadian issues led to a purchase balance of \$4 million as compared with \$36 million in the second quarter. Net repatriation of Government of Canada direct and guaranteed issues amounted to \$6 million compared with \$44 million in the second quarter. For the nine month period ending September, 1953 a capital outflow of \$30 million was recorded. Outflows to the United States were greater than this as there were inflows of capital from sales of securities to the United Kingdom and other overseas countries.

Security Transactions between Canada and Other Countries

Net Sales (+) or Purchases (-) by Canadians	1952		1953 p		
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter
(Millions of dollars)					
Canadian securities					
Outstanding issues.....	- 51	- 25	+ 10	- 36	- 4
New issues	+ 23	+ 46	+ 116	+ 48	+ 15
Retirements	- 7	- 29	- 25	- 93	- 10
Foreign securities					
Outstanding issues	+ 2	-	+ 1	+ 3	+ 1
New issues	-	-	- 1	- 2	- 1
Retirements	-	-	+ 1	-	-
	- 33	- 8	+ 102	- 80	+ 1

p - preliminary

Trade in Outstanding Securities - September, 1953

During September, a slight increase in the volume of international security trading was noted as compared with the previous two months. Trade with the United States led to a purchase balance of \$2.2 million while trade with the United Kingdom and other countries resulted in sales balances of \$1.9 million and \$1.1 million respectively.

Statistics in 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. More complete statistics of capital movements will be found in the annual and quarterly reports on The Canadian Balance of International Payments and in The Canadian Balance of International Payments in the Post-War Years, 1946-1952.

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	585.6	- 77.9	450.1	542.5	-92.4	25.2	25.3	- 0.1	32.4	17.8	+14.6
January	56.1	49.6	+ 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	47.6	+ 0.2	43.8	43.8	0.0	1.2	2.0	- 0.8	2.7	1.8	+ 0.9
April	69.5	66.7	+ 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	56.8	- 19.8	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	26.2	58.0	-31.8	2.1	3.7	- 1.6	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 (9 mos.).....	358.7	384.1	- 25.4	285.9	341.1	-55.3	30.5	15.6	+14.9	42.3	27.3	+15.0
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	26.3	30.4	- 4.0	19.4	27.7	- 8.4	2.5	1.0	+ 1.4	4.5	1.6	+ 2.9
August	27.6	28.0 _r	- 0.4	20.5	22.1	- 1.6	2.6	1.7	+ 0.9	4.5	4.2 _r	+ 0.3 _r
September	30.9	30.1	+ 0.8	22.7	25.0	- 2.2	3.6	1.7	+ 1.9	4.6	3.5	+ 1.1
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
September, 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	7,119	9,228	3,795	6,795	1,109	273	2,215	2,160
<i>Canadian Issues:</i>								
Government of Canada — Direct	2,791	3,024	1,556	1,413	559	159	676	1,452
Government of Canada — Guaranteed	223	1,507	218	1,507	-	-	5	-
Provincial	590	1,689	172	1,581	90	1	328	107
Municipal	166	315	25	286	-	28	141	1
Railway, not guaranteed by Government	367	432	223	430	62	-	82	2
Other Corporations	2,365	1,304	1,235	972	249	27	881	305
<i>United States Issues:</i>								
Government.....	159	588	142	588	-	-	17	-
Other	84	6	31	6	-	-	53	-
<i>United Kingdom Issues:</i>								
Government	97	3	-	-	97	3	-	-
Other	140	1	135	-	5	1	-	-
Other Foreign Countries Issues	137	359	58	12	47	54	32	293
Common & Preference Stocks:								
Canadian	16,121	14,849	12,090	12,304	1,809	1,390	2,222	1,155
United States	6,586	5,662	6,541	5,609	10	1	35	52
United Kingdom	576	9	3	3	573	6	-	-
Other Foreign Countries	8	11	8	11	-	-	-	-
Short-Term Securities (1 yr. or less):								
Canadian	50	-	-	-	50	-	-	-
Other Countries	-	-	-	-	-	-	-	-
Other Securities:								
Canadian	301	255	240	243	26	-	35	12
Other Countries	172	116	44	-	40	30	88	86
Total	30,933	30,130	22,721	24,965	3,617	1,700	4,595	3,465

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

Nine months ending September, 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. -
Bonds and Debentures, Total.....	83.0	142.0	-59.0	48.1	125.3	-77.2	15.2	4.6	+10.6	19.7	12.1	+ 7.7
<i>Canadian Issues:</i>												
Government of Canada — Direct	32.9	74.1	-41.2	15.7	61.8	-46.1	6.5	2.4	+ 4.1	10.7	9.9	+ 0.8
Government of Canada — Guaranteed	4.1	15.1	-11.1	3.2	15.0	-11.8	0.6	-	+ 0.6	0.3	0.1	+ 0.2
Provincial	10.5	18.9	- 8.4	4.2	18.5	-14.2	2.5	0.3	+ 2.2	3.8	0.1	+ 3.7
Municipal	0.8	3.2	- 2.4	0.5	3.0	- 2.5	0.1	0.2	- 0.1	0.2	-	+ 0.2
Railway, not guaranteed by Government	6.1	3.9	+ 2.2	5.0	3.5	+ 1.6	0.6	0.3	+ 0.3	0.4	0.1	+ 0.3
Other Corporations	16.8	13.2	+ 3.6	9.8	11.5	- 1.7	3.0	0.6	+ 2.4	4.1	1.1	+ 3.0
<i>United States Issues:</i>												
Government	6.1	9.8	- 3.7	6.0	9.7	- 3.7	-	-	-	0.1	0.1	-
Other	2.7	2.2	+ 0.6	2.6	2.0	+ 0.6	-	-	-	0.1	0.1	-
<i>United Kingdom Issues:</i>												
Government	1.1	0.3	+ 0.8	0.1	-	-	1.0	0.2	+ 0.8	-	-	-
Other	0.7	0.1	+ 0.6	0.1	-	+ 0.1	0.6	0.1	+ 0.5	-	-	-
Other Foreign Countries Issues	1.1	1.2	- 0.1	0.8	0.3	+ 0.5	0.2	0.4	- 0.2	0.1	0.5	- 0.5
<i>Common & Preference Stocks:</i>												
Canadian	204.4	177.4	+27.1	169.1	153.5	+15.6	14.0	10.0	+ 4.0	21.4	13.9	+ 7.5
United States	64.6	59.4	+ 5.2	64.1	57.8	+ 6.2	-	0.5	- 0.5	0.6	1.0	- 0.5
United Kingdom	1.7	0.3	+ 1.3	0.5	0.2	+ 0.3	1.1	0.1	+ 0.9	-	-	-
Other Foreign Countries	0.3	0.3	-	0.2	-	+ 0.1	-	0.2	- 0.1	0.1	0.1	-
<i>Short-Term Securities (1 yr. or less):</i>												
Canadian	0.1	0.6	- 0.6	-	0.4	- 0.4	0.1	0.2	- 0.2	-	-	-
Other Countries	0.2	-	+ 0.2	0.1	-	+ 0.1	0.1	-	+ 0.1	-	-	-
<i>Other Securities:</i>												
Canadian	4.1	3.5	+ 0.6	3.7	3.4	+ 0.3	-	-	-	0.4	0.1	+ 0.3
Other Countries	0.3	0.6	- 0.3	0.1	0.5	- 0.4	0.1	-	-	0.1	0.1	-
Total	358.7	384.1	-25.4	285.9	341.1	-55.3	30.5	15.6	+14.9	42.3	27.3	+15.0

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

September, 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
Canadian Securities, Total	22,974	23,375	15,759	18,736	2,845	1,605	4,370	3,034
Bonds and Debentures	6,502	8,271	3,429	6,189	960	215	2,113	1,867
Common and Preference Stocks	16,121	14,849	12,090	12,304	1,809	1,390	2,222	1,155
Short-term securities (1 yr. or less)	50	-	-	-	50	-	-	-
Other Securities	301	255	240	243	26	-	35	12
United States Securities, Total	6,829	6,256	6,714	6,203	10	1	105	52
Bonds and Debentures	243	594	173	594	-	-	70	-
Common and Preference Stocks	6,586	5,662	6,541	5,609	10	1	35	52
United Kingdom Securities, Total	813	13	138	3	675	10	-	-
Bonds and Debentures	237	4	135	-	102	4	-	-
Common and Preference Stocks	576	9	3	3	573	6	-	-
Other Foreign Countries Securities, Total....	145	370	66	23	47	54	32	293
Bonds and Debentures	137	359	58	12	47	54	32	293
Common and Preference Stocks	8	11	8	11	-	-	-	-
Foreign Short-Term Securities (1 yr. or less)	-	-	-	-	-	-	-	-
Foreign Other Securities	172	116	44	-	40	30	88	86
Total	30,933	30,130	22,721	24,965	3,617	1,700	4,595	3,465

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

Nine months ending September, 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.-
Canadian Securities, Total	279.9	309.9	-30.0	211.2	270.6	-59.4	27.4	14.0	+13.4	41.2	25.3	+15.9
Bonds and Debentures	71.2	128.4	-57.2	38.4	113.3	-74.9	13.3	3.8	+ 9.5	19.5	11.3	+ 8.1
Common and Preference Stocks	204.4	177.4	+27.1	169.1	153.5	+15.6	14.0	10.0	+ 4.0	21.4	13.9	+ 7.5
Short-term securities (1 yr. or less)	0.1	0.6	- 0.6	-	0.4	- 0.4	0.1	0.2	- 0.2	-	-	-
Other Securities	4.1	3.5	+ 0.6	3.7	3.4	+ 0.3	-	-	-	0.4	0.1	+ 0.3
United States Securities, Total	73.5	71.3	+ 2.1	72.7	69.5	+ 3.2	-	0.5	- 0.5	0.7	1.3	- 0.5
Bonds and Debentures	8.8	12.0	- 3.1	8.7	11.7	- 3.0	-	-	-	0.2	0.2	- 0.1
Common and Preference Stocks	64.6	59.4	+ 5.2	64.1	57.8	+ 6.2	-	0.5	- 0.5	0.6	1.0	- 0.5
United Kingdom Securities, Total	3.5	0.8	+ 2.7	0.8	0.2	+ 0.5	2.7	0.5	+ 2.2	-	-	-
Bonds and Debentures	1.8	0.4	+ 1.4	0.2	0.1	+ 0.2	1.6	0.3	+ 1.2	-	-	-
Common and Preference Stocks	1.7	0.3	+ 1.3	0.5	0.2	+ 0.3	1.1	0.1	+ 0.9	-	-	-
Other Foreign Countries Securities, Total	1.4	1.5	- 0.1	1.0	0.3	+ 0.7	0.3	0.6	- 0.3	0.2	0.6	- 0.4
Bonds and Debentures	1.1	1.2	- 0.1	0.8	0.3	+ 0.5	0.2	0.4	- 0.2	0.1	0.5	- 0.5
Common and Preference Stocks	0.3	0.3	-	0.2	-	+ 0.1	-	0.2	- 0.1	0.1	0.1	-
Foreign Short-Term Securities (1 yr. or less)	0.2	-	+ 0.2	0.1	-	+ 0.1	0.1	-	+ 0.1	-	-	-
Foreign Other Securities	0.3	0.6	- 0.3	0.1	0.5	- 0.4	0.1	-	-	0.1	0.1	-
Total	358.7	384.1	-25.4	285.9	341.1	-55.3	30.5	15.6	+14.9	42.3	27.3	+15.0

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

Year and Month	Canada		United Kingdom		United States	
	3% due Sept. 1, 1961-66		3% due April 15, 1959-69		U. S. Treasury $2\frac{1}{4}\%$ due Dec. 15, 1963-68	
	Price	Yield	Price	Yield	Price	Yield
1945 — December.....	100.87	2.94	100.58	2.95	102.45	2.33
1946 — December.....	104.77	2.61	108.35	2.22	104.19	2.20
1947 — December.....	104.75	2.59	100.82	2.92	101.99	2.35
1948 — December.....	100.75	2.93	103.42	2.62	101.34	2.39
1949 — December.....	102.65	2.73	97.17	3.20	104.88	2.10
1950 — 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	96.44	3.26	101.87	2.33
March	97.88	3.17	96.27	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	2.69
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	3.26	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	96.51	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
July	92.63	3.72	89.62	3.89	94.13	2.98
August	92.55	3.73	90.23	3.83	94.37	2.96
September	92.56	3.73	91.24	3.74	94.77	2.93
October						
November.....						
December.....						

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



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

Year and Month	U. S. dollar in Canada (noon average in cents)	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		
1945 — December	110.25	112.5	104.0	108.2	139.7	
1946 — December	100.25	106.4	70.9	83.7	125.5	
1947 — December	100.25	106.2	74.8	86.6	122.4	
1948 — December	100.25	115.8	63.0	84.2	119.4	
1949 — December	110.25	117.9	74.2	92.4	132.7	
1950 — December	105.31	146.3	59.8	88.2	158.4	
1951 — January	105.17	153.8	68.8	97.6	168.6	
February	104.92	166.5	74.3	104.7	174.7	
March	104.73	162.9	71.2	100.3	170.3	
April	105.99	165.6	66.8	96.7	172.3	
May	106.37	164.2	63.7	92.5	173.9	
June	106.94	160.7	63.7	90.6	171.7	
July	106.05	162.0	65.5	92.7	172.8	
August	105.56	169.7	69.7	97.7	181.5	
September	105.56	179.8	73.7	104.0	187.3	
October	105.08	183.3	75.3	107.5	185.0	
November	104.35	174.0	71.9	102.4	177.7	
December	102.56	177.3	73.2	103.4	182.5	
1952 — January	100.48	181.7	72.0	104.2	187.1	
February	100.11	179.5	71.2	102.6	183.2	
March	99.60	177.6	73.4	102.7	185.2	
April	98.09	175.8	77.0	102.8	183.6	
May	98.38	169.0	75.1	101.4	183.7	
June	97.92	171.6	75.5	102.0	187.6	
July	96.91	174.9	76.6	107.0	192.1	
August	96.11	176.0	77.6	110.2	191.1	
September	95.98	171.6	74.4	106.6	188.2	
October	96.43	163.6	69.5	99.1	183.4	
November	97.66	167.3	71.1	100.8	189.8	
December	97.06	168.4	73.2	103.4	197.0	
1953 — January	97.05	172.3	73.5	106.0	197.6	
February	97.73	169.0	72.2	103.2	195.9	
March	98.33	170.0	70.1	101.7	198.0	
April	98.37	160.8	69.2	96.5	190.0	
May	99.41	159.8	68.9	93.8	189.6	
June	99.44	156.8	66.8	90.2	182.8	
July	99.18	160.7	66.3	91.4	185.5	
August	98.83	161.2	67.5	90.7	187.3	
September	98.43	152.9	62.5	85.0	179.2	
October						
November						
December						