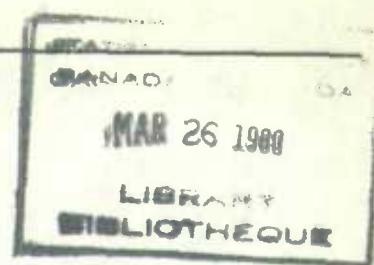


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SALES AND PURCHASES OF SECURITIES
BETWEEN CANADA AND OTHER COUNTRIES

Trade in Outstanding Securities - August, 1954

Canadians were, on balance, purchasers of outstanding security issues from other countries during August. The resulting capital export of \$7.5 million was the first net export since August, 1953 and is in contrast to the net capital import of \$6.6 million recorded in the previous month. There continued to be a heavy volume of transactions; trading turnover amounted to \$131 million compared with \$56 million a year ago.

Trading with the United States led to a purchase balance of \$6.7 million. Heavy net repurchases of government direct and guaranteed bonds more than offset net sales of \$6.8 million Canadian stocks and \$3.8 million United States securities. The repatriation of bonds appears to have been influenced by the strength of the Canadian dollar. In the three months ending August, net sales of Canadian stocks to all United States residents totalled \$24 million, compared with \$19 million in the preceding five months. As was noted in last month's bulletin, these transactions included sales to new Canadian diversified management investment companies formed by United States interests; such companies raised some \$90 million of capital during the three months. The rate of acquisition of Canadian stocks by United States residents in this period has been exceeded during the post-war years only in the first half of 1952.

In August, small net exports of capital on outstanding securities account also occurred to the United Kingdom and to other overseas countries. The general pattern of trading was the same in each case as with the United States. Canadians repatriated bonds and debentures owned abroad, but were sellers of Canadian stocks.

Bond prices in both Canada and the United States were little changed in August while stock prices, as measured by the indexes shown in Table 5, continued to rise.

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 retirements 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.

Prepared in the Balance of Payments Section, International Trade Division.

7503-504: 19-10-54

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.-
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
1953												
Total (12 mos.)	494.3	506.2	- 11.9	380.4	442.0	-61.6	53.3	24.0	+29.3	60.6	40.2	+20.4
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	- 0.4	20.5	22.1	- 1.6	2.6	1.7	+ 0.9	4.5	4.2	+ 0.3
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.....	43.5	39.0	+ 4.5	24.9	29.7	- 4.8	9.0	3.4	+ 5.6	9.6	5.8	+ 3.8
November.....	42.3	38.0	+ 4.3	31.5	31.0	+ 0.5	6.4	2.9	+ 3.5	4.4	4.0	+ 0.3
December	49.8	45.1	+ 4.7	38.1	40.1	- 2.0	7.3	2.0	+ 5.3	4.4	3.0	+ 1.4
1954												
Total (8 mos.)	478.8	428.2	+ 50.7	359.3	347.0	+12.3	48.6	34.8	+13.8	70.9	46.3	+24.6
January.....	47.4	41.1	+ 6.3	33.7	31.9	+ 1.8	7.1	4.7	+ 2.4	6.5	4.4	+ 2.1
February.....	53.1	40.4	+ 12.7	40.6	34.1	+ 6.6	6.5	3.3	+ 3.2	6.0	3.1	+ 2.9
March	56.1	54.8	+ 1.3	42.3	42.6	- 0.3	7.4	3.6	+ 3.8	6.5	8.6	- 2.1
April	59.8	52.3	+ 7.5	46.8	43.9	+ 2.9	5.3	2.7	+ 2.6	7.7	5.7	+ 2.0
May	54.3	51.5	+ 2.8	43.7	41.6	+ 2.0	4.6	4.8	- 0.2	6.0	5.1	+ 1.0
June	78.4	57.6	+ 20.9	54.8	44.4	+10.4	6.6	6.4	+ 0.2	17.0	6.7	+10.3
July.....	72.67.8	61.2	- 6.6	46.8	51.0	- 4.3	5.5	3.6	+ 1.9	25.5	6.6	20.3
August	61.9	69.3	- 7.5	50.8	57.5	- 6.7	5.6	5.7	- 0.2	20.5	6.1	- 0.6
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

August, 1954

(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	13,673	31,398	10,506	25,823	2,097	2,873	1,070	2,702
<i>Canadian Issues:</i>								
Government of Canada — Direct	5,517	14,198	4,335	11,365	495	484	687	2,349
Government of Canada — Guaranteed	143	6,213	22	5,823	110	380	11	10
Provincial	1,086	7,709	168	6,438	794	1,222	124	49
Municipal	181	695	34	312	147	374	-	9
Railway, not guaranteed by Government	273	264	223	234	6	30	44	-
Other Corporations	4,183	1,862	3,466	1,211	513	367	204	284
<i>United States Issues:</i>								
Government.....	916	275	908	275	8	-	-	-
Other	1,248	93	1,248	93	-	-	-	-
<i>United Kingdom Issues:</i>								
Government	3	-	-	-	3	-	-	-
Other	44	15	24	15	20	-	-	-
Other Foreign Countries Issues	79	74	78	57	1	16	-	1
<i>Common & Preference Stocks:</i>								
Canadian	34,933	26,594	27,612	20,839	3,068	2,546	4,253	3,209
United States	12,184	10,196	12,060	10,051	-	-	124	145
United Kingdom	121	251	22	251	99	-	-	-
Other Foreign Countries	12	132	-	129	1	3	11	-
<i>Short-Term Securities (1 yr. or less):</i>								
Canadian	-	-	-	-	-	-	-	-
Other Countries	-	-	-	-	-	-	-	-
<i>Other Securities:</i>								
Canadian	930	729	557	399	309	308	64	22
Other Countries	12	16	12	16	-	-	-	-
Total	61,865	69,316	50,769	57,508	5,574	5,730	5,522	6,078

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

Eight months ending August, 1954

(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.....	139.9	166.3	-26.4	82.7	124.1	-41.3	19.2	20.2	- 1.0	38.0	22.0	+16.0
<i>Canadian Issues:</i>												
Government of Canada — Direct	72.9	88.6	-15.6	35.5	59.3	-23.9	6.9	11.1	- 4.3	30.6	18.1	+12.5
Government of Canada — Guaranteed	9.8	24.7	-14.9	5.9	22.6	-16.7	1.4	1.7	- 0.3	2.4	0.4	+ 2.0
Provincial	7.7	22.1	-14.4	2.3	19.2	-16.9	3.7	2.7	+ 1.0	1.6	0.2	+ 1.4
Municipal	6.0	4.5	+ 1.5	5.2	3.3	+ 1.8	0.8	1.2	- 0.4	-	-	-
Railway, not guaranteed by Government	4.0	3.5	+ 0.4	2.8	2.8	-	0.8	0.1	+ 0.7	0.4	0.6	- 0.2
Other Corporations	24.9	11.9	+12.9	17.4	7.3	+10.1	4.8	2.9	+ 1.9	2.6	1.8	+ 0.9
<i>United States Issues:</i>												
Government	6.0	4.4	+ 1.6	5.9	4.1	+ 1.8	0.1	0.1	-	0.1	0.3	- 0.2
Other	5.5	1.6	+ 3.9	5.3	1.0	+ 4.3	-	0.1	- 0.1	0.2	0.5	- 0.3
<i>United Kingdom Issues:</i>												
Government	0.5	1.3	- 0.8	-	1.3	- 1.3	0.4	-	+ 0.4	-	-	-
Other	0.1	0.9	- 0.8	-	0.8	- 0.8	-	0.1	-	-	-	-
Other Foreign Countries Issues	2.6	2.6	-	2.4	2.3	+ 0.1	0.2	0.1	-	-	0.2	- 0.2
<i>Common & Preference Stocks:</i>												
Canadian	239.8	175.9	+63.9	183.4	140.5	+42.9	25.4	13.1	+12.3	31.0	22.3	+ 8.7
United States	90.0	78.3	+11.8	88.7	76.7	+12.0	0.1	-	+ 0.1	1.2	1.6	- 0.3
United Kingdom	0.9	0.5	+ 0.4	0.1	0.3	- 0.3	0.9	0.2	+ 0.7	-	-	-
Other Foreign Countries	0.1	0.5	- 0.3	0.1	0.4	- 0.3	-	-	-	-	0.1	- 0.1
<i>Short-Term Securities (1 yr. or less):</i>												
Canadian	1.3	-	+ 1.3	0.1	-	+ 0.1	1.2	-	+ 1.2	-	-	-
Other Countries	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other Securities:</i>												
Canadian	5.7	6.2	- 0.5	3.6	4.5	- 0.9	1.4	1.3	+ 0.2	0.7	0.4	+ 0.3
Other Countries	1.1	0.5	+ 0.5	0.6	0.5	+ 0.1	0.4	-	+ 0.4	-	-	-
Total	478.8	428.2	+50.7	359.3	347.0	+12.3	48.6	34.8	+13.8	70.9	46.3	+24.6

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
August, 1954

(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	47,246	58,264	36,417	46,621	5,442	5,711	5,387	5,932
Bonds and Debentures	11,383	30,941	8,248	25,383	2,065	2,857	1,070	2,701
Common and Preference Stocks	34,933	26,594	27,612	20,839	3,068	2,546	4,253	3,209
Short-term securities (1 yr. or less)	-	-	-	-	-	-	-	-
Other Securities	930	729	557	399	309	308	64	22
United States Securities, Total	14,348	10,564	14,216	10,419	8	-	124	145
Bonds and Debentures	2,164	368	2,156	368	8	-	-	-
Common and Preference Stocks	12,184	10,196	12,060	10,051	-	-	124	145
United Kingdom Securities, Total	168	266	46	266	122	-	-	-
Bonds and Debentures	47	15	24	15	23	-	-	-
Common and Preference Stocks	121	251	22	251	99	-	-	-
Other Foreign Countries Securities, Total....	91	206	78	186	2	19	11	1
Bonds and Debentures	79	74	78	57	1	16	-	1
Common and Preference Stocks	12	132	-	129	1	3	11	-
Foreign Short-Term Securities (1 yr. or less)	-	-	-	-	-	-	-	-
Foreign Other Securities	12	16	12	16	-	-	-	-
Total	61,865	69,316	50,769	57,508	5,574	5,730	5,522	6,078

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

Eight months ending August, 1954

(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	372.0	337.5	+34.5	256.2	259.6	- 3.5	46.5	34.1	+12.3	69.4	43.8	+25.6
Bonds and Debentures	125.2	155.4	-30.2	69.1	114.5	-45.5	18.5	19.8	- 1.3	37.7	21.1	+16.6
Common and Preference Stocks	239.8	175.9	+63.9	183.4	140.5	+42.9	25.4	13.1	+12.3	31.0	22.3	+ 8.7
Short-term securities (1 yr. or less)	1.3	-	+ 1.3	0.1	-	+ 0.1	1.2	-	+ 1.2	-	-	-
Other Securities	5.7	6.2	- 0.5	3.6	4.5	- 0.9	1.4	1.3	+ 0.2	0.7	0.4	+ 0.3
United States Securities, Total	101.5	84.3	+17.2	99.9	81.8	+18.1	0.1	0.2	- 0.1	1.5	2.3	- 0.8
Bonds and Debentures	11.5	6.0	+ 5.5	11.2	5.1	+ 6.1	0.1	0.2	- 0.1	0.3	0.7	- 0.5
Common and Preference Stocks	90.0	78.3	+11.8	88.7	76.7	+12.0	0.1	-	+ 0.1	1.2	1.6	- 0.3
United Kingdom Securities, Total	1.5	2.7	- 1.2	0.1	2.4	- 2.3	1.3	0.3	+ 1.1	-	-	-
Bonds and Debentures	0.6	2.2	- 1.7	0.1	2.1	- 2.0	0.5	0.1	+ 0.4	-	-	-
Common and Preference Stocks	0.9	0.5	+ 0.4	0.1	0.3	- 0.3	0.9	0.2	+ 0.7	-	-	-
Other Foreign Countries Securities, Total	2.7	3.1	- 0.4	2.5	2.7	- 0.2	0.2	0.1	-	-	0.3	- 0.2
Bonds and Debentures	2.6	2.6	-	2.4	2.3	+ 0.1	0.2	0.1	-	-	0.2	- 0.2
Common and Preference Stocks	0.1	0.5	- 0.3	0.1	0.4	- 0.3	-	-	-	-	0.1	- 0.1
Foreign Short-Term Securities (1 yr. or less)	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Other Securities	1.1	0.5	+ 0.5	0.6	0.5	+ 0.1	0.4	-	+ 0.4	-	-	-
Total	478.8	428.2	+50.7	359.3	347.0	+12.3	48.6	34.8	+13.8	70.9	46.3	+24.6

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 2½% due Dec. 15, 1963-68	
	Price	Yield	Price	Yield	Price	Yield
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 – 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	92.91	3.70	92.04	3.68	96.88	2.75
November	93.37	3.65	92.03	3.68	96.64	2.77
December	93.88	3.61	91.79	3.70	97.45	2.71
1954 – January	94.60	3.53	92.60	3.63	98.69	2.61
February	95.66	3.43	92.80	3.62	99.66	2.53
March	97.85	3.22	93.10	3.59	100.60	2.43
April	99.63	3.04	93.75	3.54	101.13	2.37
May	99.92	3.01	94.37	3.49	100.47	2.44
June	100.07	2.99	95.21	3.41	100.30	2.45
July	100.80	2.88	95.82	3.36	101.28	2.35
August	100.95	2.85	96.84	3.27	101.09	2.37
September						
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		
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 - 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	98.25	151.9	60.1	82.7	183.4	
November	97.77	154.2	60.1	83.7	187.5	
December	97.31	153.6	57.3	79.9	190.7	
1954 - January	97.29	157.4	60.3	81.9	195.4	
February	96.65	163.2	62.1	83.4	199.6	
March	97.08	165.0	61.5	84.3	204.9	
April	98.25	173.6	64.8	89.3	212.7	
May	98.43	179.5	64.4	89.4	219.8	
June	98.13	180.5	63.9	90.0	221.8	
July	97.44	182.3	64.9	92.0	231.1	
August	97.02	187.0	67.8	95.6	236.4	
September						
October						
November						
December						