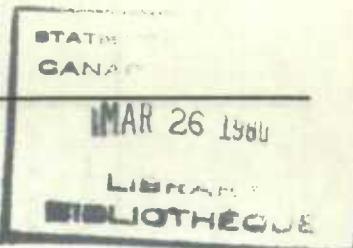


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**SALES AND PURCHASES OF SECURITIES  
BETWEEN CANADA AND OTHER COUNTRIES**

During the month of October, Canadian trading in outstanding issues of securities led to a sales balance or capital import of \$8.8 million. Net sales of Canadian bonds and debentures amounted to \$6.8 million, in contrast to consistent repurchases for a long period before September of the current year. At the same time, the extended period of net sales of Canadian common and preference stocks came to an end. The turnover, although down sharply from the previous month, was still at a high level in comparison with earlier years.

Trading with the United States resulted in a sales balance of \$3.0 million. There were net sales of \$3.7 million of Canadian bonds and debentures to United States residents. This sales balance is in sharp contrast to the purchase balances recorded, with only three exceptions, for each month since 1951. Transactions in Canadian common and preference stocks led to a purchase balance or capital export of \$1.9 million. This is only the second month since 1953 in which net repurchases have been recorded, the first month being August, 1955. During October, Canadians sold \$2.9 million of Canadian government and municipal issues and \$0.8 million of Canadian corporate bonds. Transactions in foreign securities were dominated by the net sales balance of \$1.3 million recorded for United States bonds and debentures.

Transactions with the United Kingdom and with other overseas countries led to sales balances of \$2.1 million and \$3.6 million respectively. Residents of the United Kingdom added to their holdings, \$1.0 million of Canadian common and preference stocks and \$0.4 million of Canadian bonds and debentures. Residents of other overseas countries, on the other hand, favoured Canadian bonds and debentures and increased their holdings by \$2.6 million funded debt and \$0.6 million of Canadian common and preference stocks.

During the month, the differential between average yields on the Canadian and United States long-term government issues shown in table 6 continued to increase. As has been pointed out in previous reports, this increasing differential between interest rates together with the declining exchange premium on the Canadian dollar were undoubtedly among the factors bringing to an end a lengthy period of net repatriation from the United States of Canadian obligations.

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.

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**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. -
1953 Total (12 months) .....	494.3	506.2	- 11.9	380.4	442.0	-61.6	53.3	24.0	+29.3	60.6	40.2	+20.4
1954 Total (12 months) .....	799.5	735.6	+ 63.9	614.7	608.9	+ 5.8	76.8	53.9	+22.9	107.9	72.7	+35.2
1955 Total (10months).....	975.7	1003.9	- 28.2	796.5	856.9	-60.3	76.3	64.8	+11.5	102.8	82.2	+20.6
1954 - 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 .....	72.8	61.2	+ 11.6	46.8	51.0	- 4.3	5.5	3.6	+ 1.9	20.5	6.6	+13.9
August .....	61.9	69.3	- 7.5	50.8	57.5	- 6.7	5.6	5.7	- 0.2	5.5	6.1	- 0.6
September .....	60.5	64.5	- 4.0	48.5	55.0	- 6.5	3.9	4.7	- 0.8	8.1	4.8	+ 3.2
October .....	83.9	76.3	+ 7.7	69.4	68.4	+ 0.9	7.6	3.6	+ 3.9	7.0	4.2	+ 2.8
November .....	80.0	76.1	+ 3.9	63.7	62.7	+ 1.0	8.6	3.6	+ 4.9	7.8	9.8	- 2.0
December .....	91.2	90.5	+ 0.7	73.8	75.9	- 2.0	8.2	7.1	+ 1.1	9.2	7.6	+ 1.6
1955 - January .....	84.2	93.6	- 9.4	69.9	84.7	-14.8	8.4	3.5	+ 4.8	6.0	5.4	+ 0.6
February .....	88.1	103.3	- 15.2	72.0	92.6	-20.6	8.3	4.0	+ 4.3	7.8	6.7	+ 1.1
March .....	96.7	90.7	+ 6.1	79.9	73.6	+ 6.3	6.6	6.0	+ 0.6	10.2	11.0	- 0.8
April .....	99.9	82.6	+ 17.4	85.2	72.5	+12.7	6.3	3.7	+ 2.6	8.4	6.4	+ 2.0
May .....	91.0	99.6	- 8.6	69.6	82.9	-13.3	7.2	10.3	- 3.1	14.2	6.5	+ 7.7
June .....	117.2	127.2	- 10.0	97.6	103.5	- 5.9	8.2	14.6	- 6.4	11.5	9.1	+ 2.4
July .....	112.7	128.5	- 15.8	92.6	109.8	-17.3	10.1	5.6	+ 4.5	10.0	13.0	- 3.0
August .....	93.4	104.5	- 11.1	73.8	85.8	-12.0	8.6	8.4	+ 0.1	11.0	10.3	+ 0.8
September .....	109.3	99.6	+ 9.7	90.9	89.5	+ 1.4	5.9	3.8	+ 2.0	12.5	6.3	+ 6.2
October .....	83.2	74.4	+ 8.8	65.1	62.1	+ 3.0	6.9	4.7	+ 2.1	11.2	7.6	+ 3.6
November .....												
December .....												

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

TABLE 2. Summary of Trade in Canadian and Foreign Securities between  
Canada and Other Countries  
(Millions of dollars)

Year and Month	Net Sales (+) or Purchases (-)							
	Canadian Securities				Foreign Securities			
	Total	United States	United Kingdom	Other Countries	Total	United States	United Kingdom	Other Countries
1953 Total (12 months) .....	-30.7	-79.4	+27.3	+21.4	+18.8	+17.8	+ 2.0	- 1.0
1954 Total (12 months) .....	+55.3	- 2.0	+21.0	+36.4	+ 8.6	+ 7.7	+ 1.9	- 1.2
1955 Total (10 months) .....	-38.8	-81.8	+22.0	+20.9	+10.6	+21.5	-10.5	- 0.3
1954 - January .....	+ 5.0	+ 0.8	+ 2.1	+ 2.1	+ 1.3	+ 1.0	+ 0.3	-
February .....	+12.9	+ 6.4	+ 3.2	+ 3.3	- 0.3	+ 0.1	-	- 0.4
March .....	- 2.1	- 3.9	+ 3.6	- 1.9	+ 3.5	+ 3.6	+ 0.2	- 0.3
April .....	+ 3.4	- 1.9	+ 2.6	+ 2.7	+ 4.2	+ 4.8	-	- 0.6
May .....	+ 1.8	+ 1.3	- 0.3	+ 0.8	+ 1.0	+ 0.7	+ 0.2	+ 0.1
June .....	+16.6	+ 6.4	- 0.1	+10.2	+ 4.3	+ 3.9	+ 0.3	+ 0.1
July .....	+12.9	- 2.5	+ 1.5	+13.8	- 1.3	- 1.8	+ 0.4	+ 0.1
August .....	-11.0	-10.2	- 0.3	- 0.5	+ 3.6	+ 3.5	+ 0.1	-
September .....	- 1.3	- 3.5	- 1.0	+ 3.3	- 2.7	- 2.9	+ 0.2	- 0.1
October .....	+10.0	+ 3.3	+ 3.8	+ 2.9	- 2.4	- 2.4	+ 0.1	- 0.1
November .....	+ 0.3	- 2.6	+ 4.8	- 2.0	+ 3.6	+ 3.5	+ 0.1	-
December .....	+ 6.9	+ 4.3	+ 1.0	+ 1.6	- 6.2	- 6.3	+ 0.1	-
1955 - January .....	-11.8	-16.9	+ 4.7	+ 0.5	+ 2.4	+ 2.2	+ 0.1	+ 0.1
February .....	-17.9	-23.3	+ 4.1	+ 1.3	+ 2.7	+ 2.7	+ 0.2	- 0.2
March .....	- 1.5	- 2.0	+ 1.0	- 0.5	+ 7.5	+ 8.3	- 0.4	- 0.3
April .....	+14.6	+ 9.6	+ 3.1	+ 2.0	+ 2.7	+ 3.2	- 0.5	-
May .....	- 6.2	-13.7	+ 0.3	+ 7.3	- 2.5	+ 0.4	- 3.3	+ 0.4
June .....	- 1.6	- 3.1	- 1.2	+ 2.7	- 8.4	- 2.8	- 5.3	- 0.3
July .....	-18.7	-21.6	+ 5.6	- 2.6	+ 2.9	+ 4.4	- 1.1	- 0.4
August .....	-12.6	-14.9	+ 1.7	+ 0.6	+ 1.5	+ 2.9	- 1.5	+ 0.1
September .....	+ 9.4	+ 1.5	+ 1.4	+ 6.4	+ 0.3	-	+ 0.6	- 0.2
October .....	+ 7.4	+ 2.7	+ 1.4	+ 3.3	+ 1.4	+ 0.3	+ 0.7	+ 0.4
November .....								
December .....								

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

TABLE 3. Trade in Outstanding Securities Between Canada and Other Countries

(Thousands of dollars)

October, 1955	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Total .....	83,195	74,384	65,124	62,089	6,872	4,733	11,199	7,562
Canadian Securities, Total .....	65,491	58,103	49,342	46,649	5,589	4,146	10,560	7,308
Bonds and Debentures .....	13,651	6,843	7,890	4,163	1,069	585	4,692	2,095
Common and Preference Stocks .....	49,426	49,736	39,372	41,283	4,281	3,275	5,773	5,178
Other Securities .....	2,414	1,524	2,080	1,203	239	286	95	35
Foreign Securities, Total .....	17,704	16,281	15,782	15,440	1,283	587	639	254
United States Issues:								
Bonds and Debentures .....	1,793	285	1,613	269	4	1	176	15
Common and Preference Stocks .....	13,676	14,327	13,457	14,176	18	-	201	151
United Kingdom Issues:								
Bonds and Debentures .....	126	156	43	22	83	134	-	-
Common and Preference Stocks .....	380	458	185	116	180	342	15	-
Other Foreign Countries Issues:								
Bonds and Debentures .....	904	463	110	402	711	61	83	-
Common and Preference Stocks .....	503	90	322	2	18	-	163	88
All Other Foreign Securities .....	322	502	52	453	269	49	1	-
<b>Analysis of Bonds and Debentures</b>								
Canadian Issues:								
Government of Canada — Direct .....	7,593	3,100	3,309	1,833	698	11	3,586	1,256
Government of Canada — Guaranteed .....	1,103	284	1,061	263	-	15	42	6
Provincial .....	1,590	821	1,413	737	56	1	121	83
Municipal .....	359	370	359	364	-	1	-	5
Railway, not guaranteed by Government .....	277	143	188	72	10	36	79	35
Other Corporations .....	2,729	2,125	1,560	894	305	521	864	710
United States Issues:								
Government .....	1,466	122	1,309	121	4	1	153	-
Other .....	327	163	304	148	-	-	23	15
United Kingdom Issues:								
Government .....	114	123	40	-	74	123	-	-
Other .....	12	33	3	22	9	11	-	-

**TABLE 4. Trade in Outstanding Securities Between Canada and Other Countries**  
(Millions of dollars)

Ten months ending October, 1955	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. -
Total .....	975.7	1003.9	- 28.2	796.5	856.9	- 60.3	76.3	64.8	+ 11.5	102.8	82.2	+ 20.6
<b>Canadian Securities, Total .....</b>	<b>764.2</b>	<b>803.0</b>	<b>- 38.8</b>	<b>592.4</b>	<b>674.2</b>	<b>- 81.8</b>	<b>72.1</b>	<b>50.1</b>	<b>+ 22.0</b>	<b>99.7</b>	<b>78.8</b>	<b>+ 20.9</b>
Bonds and Debentures .....	128.4	305.4	-177.0	92.0	264.4	-172.4	9.4	14.3	- 5.0	27.1	26.7	+ 0.4
Common and Preference Stocks .....	620.1	486.4	+133.7	489.5	401.7	+ 87.8	59.3	33.6	+ 25.7	71.3	51.1	+ 20.2
Other Securities .....	15.7	11.2	+ 4.5	10.9	8.1	+ 2.8	3.5	2.1	+ 1.4	1.3	1.0	+ 0.3
<b>Foreign Securities, Total .....</b>	<b>211.4</b>	<b>200.8</b>	<b>+ 10.6</b>	<b>204.2</b>	<b>182.7</b>	<b>+ 21.5</b>	<b>4.2</b>	<b>14.7</b>	<b>- 10.5</b>	<b>3.1</b>	<b>3.4</b>	<b>- 0.3</b>
United States Issues:												
Bonds and Debentures .....	11.6	10.3	+ 1.4	11.0	9.6	+ 1.4	0.1	0.1	-	0.5	0.6	- 0.1
Common and Preference Stocks .....	189.0	169.0	+ 20.0	187.2	165.8	+ 21.4	0.3	1.1	- 0.7	1.5	2.2	- 0.7
United Kingdom Issues:												
Bonds and Debentures .....	1.4	4.6	- 3.2	0.2	2.0	- 1.9	1.2	2.5	- 1.4	-	-	-
Common and Preference Stocks .....	2.9	11.8	- 9.0	2.1	1.6	+ 0.5	0.8	10.2	- 9.5	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures .....	1.7	2.6	- 1.0	0.8	2.2	- 1.4	0.7	0.4	+ 0.4	0.1	0.1	+ 0.1
Common and Preference Stocks .....	2.6	1.1	+ 1.5	1.6	0.5	+ 1.1	-	-	-	0.9	0.6	+ 0.3
All Other Foreign Securities .....	2.4	1.5	+ 0.9	1.3	1.1	+ 0.2	1.0	0.3	+ 0.7	-	-	-
<b>Analysis of Bonds and Debentures</b>												
Canadian Issues:												
Government of Canada - Direct .....	64.5	136.1	- 71.6	42.9	110.2	- 67.2	5.9	8.2	- 2.3	15.7	17.7	- 2.0
Government of Canada - Guaranteed .....	4.7	27.1	- 22.3	4.4	25.6	- 21.2	-	0.3	- 0.3	0.3	1.2	- 0.9
Provincial .....	17.5	76.9	- 59.5	13.7	74.8	- 61.2	1.2	0.7	+ 0.4	2.7	1.4	+ 1.3
Municipal .....	5.1	14.4	- 9.4	4.7	14.3	- 9.6	0.3	0.1	+ 0.2	-	0.1	-
Railway, not guaranteed by Government .....	4.0	4.5	- 0.4	3.5	3.2	+ 0.2	0.1	0.4	- 0.2	0.4	0.9	- 0.4
Other Corporations .....	32.5	46.4	- 13.8	22.9	36.3	- 13.4	1.7	4.6	- 2.8	8.0	5.5	+ 2.4
United States Issues:												
Government .....	6.7	7.2	- 0.5	6.2	7.1	- 0.9	0.1	0.1	-	0.4	-	+ 0.4
Other .....	4.9	3.1	+ 1.9	4.8	2.5	+ 2.3	-	-	-	0.1	0.6	- 0.5
United Kingdom Issues:												
Government .....	1.2	2.4	- 1.2	0.1	1.8	- 1.7	1.1	0.6	+ 0.4	-	-	-
Other .....	0.2	2.2	- 2.0	0.1	0.2	- 0.2	0.1	1.9	- 1.8	-	-	-

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

TABLE 5. Sales and Purchases of Canadian Bonds and Debentures and  
Canadian Common and Preference Stocks Between Canada and Other Countries

(Millions of dollars)

Year and Month	Canadian Bonds and Debentures						Canadian Common and Preference Stocks					
	Total Transactions			United States			Total Transactions			United States		
	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. -
1953 - July .....	6.0	8.9	- 3.0	2.4	8.3	- 5.9	14.8	15.8	- 1.0	11.7	14.1	- 2.4
	5.3	5.9	- 0.7	1.7	3.3	- 1.6	16.1	16.1	-	13.1	13.3	- 0.2
	6.5	8.3	- 1.8	3.4	6.2	- 2.8	16.1	14.8	+ 1.3	12.1	12.3	- 0.2
	17.3	16.0	+ 1.3	4.8	11.0	- 6.2	17.3	17.7	- 0.4	12.0	14.4	- 2.4
	14.1	9.2	+ 4.9	8.4	6.8	+ 1.6	18.2	22.3	- 4.1	13.5	18.3	- 4.8
	10.5	11.4	- 0.9	5.4	10.8	- 5.4	21.3	23.0	- 1.7	16.0	18.8	- 2.9
1954 - January .....	13.2	13.6	- 0.4	7.1	8.7	- 1.6	23.9	18.7	+ 5.2	17.2	14.9	+ 2.3
	16.6	12.8	+ 3.8	10.8	10.7	+ 0.1	26.3	17.5	+ 8.7	20.0	14.0	+ 6.0
	12.9	20.4	- 7.6	6.3	12.5	- 6.3	29.5	22.1	+ 7.3	22.8	18.5	+ 4.3
	12.9	17.4	- 4.5	8.7	14.1	- 5.4	30.5	23.0	+ 7.4	22.2	19.0	+ 3.2
	12.3	16.0	- 3.7	10.0	12.0	- 2.0	28.3	22.9	+ 5.3	20.9	17.8	+ 3.1
	27.6	20.8	+ 6.8	11.8	12.5	- 0.6	32.2	23.7	+ 8.5	26.2	19.2	+ 7.0
July .....	23.3	23.4	- 0.1	6.0	18.6	-12.6	34.2	21.3	+13.0	26.4	16.3	+10.1
	11.4	30.9	-19.6	8.2	25.4	-17.1	34.9	26.6	+ 8.3	27.6	20.8	+ 6.8
	11.3	23.0	-11.7	7.3	19.3	-11.9	38.6	28.0	+10.6	31.1	22.8	+ 8.3
	33.0	37.3	- 4.2	28.3	34.6	- 6.3	38.0	24.3	+13.7	28.9	19.6	+ 9.3
	11.2	26.4	-15.1	8.7	20.8	-12.2	43.8	28.7	+15.0	30.9	21.4	+ 9.5
	17.5	27.9	-10.4	12.8	22.4	- 9.6	50.9	33.1	+17.8	39.4	24.7	+14.6
1955 - January .....	11.6	35.3	-23.7	9.3	33.0	-23.7	52.9	41.3	+11.6	41.8	35.4	+ 6.4
	8.3	46.8	-38.5	6.9	44.5	-37.6	59.2	39.0	+20.2	45.4	31.3	+14.1
	9.6	31.4	-21.8	7.7	25.6	-17.9	60.6	41.0	+19.6	46.4	31.0	+15.4
	7.6	18.9	-11.3	5.0	17.4	-12.4	69.7	43.9	+25.8	58.3	36.4	+21.9
	15.8	29.7	-13.8	10.1	26.7	-16.6	55.3	47.8	+ 7.5	41.3	38.4	+ 2.8
	9.3	36.0	-26.7	5.8	29.0	-23.2	84.9	60.4	+24.6	70.0	50.0	+20.0
July .....	18.4	54.8	-36.4	14.4	46.2	-31.8	65.7	48.6	+17.1	50.6	40.7	+ 9.8
	13.3	26.8	-13.5	9.8	21.0	-11.2	57.2	56.5	+ 0.7	42.6	46.2	- 3.6
	20.8	18.8	+ 1.9	14.9	16.8	- 1.9	65.2	58.2	+ 7.0	54.0	51.0	+ 3.1
	13.6	6.8	+ 6.8	7.9	4.2	+ 3.7	49.4	49.7	- 0.3	39.4	41.3	- 1.9
	December .....											

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

TABLE 6.

## **Domestic Government Bonds**

(Wednesday nearest middle of month)

## Stock Prices

(1935-1939 = 100)

### Exchange Rate

STATISTICS CANADA LIBRARY  
BIBLIOTHÈQUE STATISTIQUE CANADA



1010510218