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SALES AND PURCHASES OF SECURITIES  
BETWEEN CANADA AND OTHER COUNTRIES

DOMINION BUREAU  
OF STATISTICS

MAY 2 1955

The balance of trade in outstanding securities between Canada and other countries shifted sharply in May, and resulted in net purchases in the amount of \$8.3 million. This outflow of capital followed an inflow of \$18.3 million in April. Net sales of Canadian stocks fell in May to \$7.6 million, or to about 30 per cent of the very high level of \$25.8 million recorded in April. Repatriation of Canadian bonds and debentures occurred on a somewhat larger scale than in April. Canadians were also net purchasers of long-term foreign securities for the first month this year. There continued to be a very heavy volume of trading when compared to the monthly levels of previous years. For the five months of 1955, the turnover has exceeded \$900 million, and is about 60 per cent of the turnover recorded for the year 1954 as a whole.

Trade with the United States led to a purchase balance of \$13.0 million in contrast to a sales balance of \$13.6 million in April. Net sales of Canadian stocks fell in May to \$2.9 million from \$21.9 million which was recorded in the previous month; during the same period, stock prices in Canada continued to rise while those in the United States fell slightly. Net repurchases of Canadian bonds and debentures totalled \$16.3 million including substantial repatriation of bonds and debentures of Canadian corporations. A small sales balance occurred from transactions in foreign securities.

There was a purchase balance of \$3.0 million with the United Kingdom in May, the first such capital export in eight months and the largest since 1950 (apart from transactions in treasury bills and similar holdings). Trading in Canadian securities was nearly in balance, sales of stocks having offset repurchases of bonds. There were, however, relatively heavy purchases by Canadians of stocks of United Kingdom corporations aggregating \$3.3 million. With other overseas countries, sales of Government of Canada bonds and of Canadian common and preference stocks contributed heavily to a sales balance of \$7.7 million.

During the five months of 1955, there was a net purchase balance of \$8.5 million, reflecting the net repurchase of \$21.4 million of Canadian securities and the net sale of \$12.9 million of foreign securities. Net sales of nearly \$85 million of Canadian common and preference stocks are concealed by the larger net repurchases of Canadian bonds and debentures, mainly of governments. Sales of foreign securities were accounted for by net repatriation of holdings of United States stocks, with some offsetting purchases of British stocks. The net export of capital to the United States from trade in all outstanding securities was \$28.4 million, but there were capital imports of \$9.2 million and \$10.6 million from the United Kingdom and from other overseas countries respectively.

Reports to the Bureau indicate that during May there was a further small reduction of Canadian holdings of short-term securities of the United Kingdom. Interest arbitrage investments in London at the end of May, apart from the employment of funds by the banking system, are placed at about \$65 million. The underlying transactions in short-term securities are not covered in the figures in this report.

Figures of trading in Canadian securities between Canada and the United States for the earlier months of 1955 have been revised to include a number of transactions which were not previously reported.

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.

7503-504-55

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 ( 5 months) .....	459.8	468.3	- 8.5	376.5	404.8	-28.4	36.7	27.5	+ 9.2	46.6	36.0	+10.6
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	81.6	+ 18.3	85.2	71.5	+13.6	6.3	3.7	+ 2.6	8.4	6.4	+ 2.0
May .....	90.9	99.1	- 8.3	69.5	82.4	-13.0	7.2	10.2	- 3.0	14.2	6.5	+ 7.7
June .....												
July .....												
August .....												
September .....												
October .....												
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 ( 5 months) .....	-21.4	-45.1	+13.1	+10.6	+12.9	+16.7	- 3.9	-
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 .....	+15.5	+10.5	+ 3.1	+ 2.0	+ 2.7	+ 3.2	- 0.5	-
May .....	- 5.8	-13.4	+ 0.3	+ 7.3	- 2.5	+ 0.4	- 3.3	+ 0.4
June .....								
July .....								
August .....								
September .....								
October .....								
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)

May, 1955	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
<b>Total</b> .....	90,869	99,139	69,465	82,423	7,179	10,200	14,225	6,516
<b>Canadian Securities, Total</b> .....	72,292	78,092	52,007	65,410	6,665	6,351	13,620	6,331
Bonds and Debentures .....	15,699	29,256	10,018	26,312	361	1,588	5,320	1,356
Common and Preference Stocks .....	55,329	47,764	41,257	38,403	5,869	4,518	8,203	4,843
Other Securities .....	1,264	1,072	732	695	435	245	97	132
<b>Foreign Securities, Total</b> .....	18,577	21,047	17,458	17,013	514	3,849	605	185
United States Issues:								
Bonds and Debentures .....	887	894	754	863	23	23	110	8
Common and Preference Stocks .....	16,739	15,448	16,567	15,273	4	-	168	175
United Kingdom Issues:								
Bonds and Debentures .....	112	317	-	14	112	303	-	-
Common and Preference Stocks .....	55	3,851	20	527	30	3,324	5	-
Other Foreign Countries Issues:								
Bonds and Debentures .....	66	295	62	273	4	22	-	-
Common and Preference Stocks .....	373	24	51	22	-	-	322	2
All Other Foreign Securities .....	345	218	4	41	341	177	-	-
<b>Analysis of Bonds and Debentures</b>								
Canadian Issues:								
Government of Canada - Direct .....	7,820	10,579	3,482	9,301	45	704	4,293	574
Government of Canada - Guaranteed .....	426	1,533	408	1,427	1	53	17	53
Provincial .....	2,553	4,205	2,480	3,873	-	280	73	52
Municipal .....	774	1,607	769	1,591	5	8	-	8
Railway, not guaranteed by Government .....	360	784	331	710	17	65	12	9
Other Corporations .....	3,766	10,548	2,548	9,410	293	478	925	660
United States Issues:								
Government .....	757	512	624	489	23	23	110	-
Other .....	130	382	130	374	-	-	-	8
United Kingdom Issues:								
Government .....	109	303	-	-	109	303	-	-
Other .....	3	14	-	14	3	-	-	-

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

Five months ending May, 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. -
<b>Total</b> .....	459.8	468.3	- 8.5	376.5	404.8	-28.4	36.7	27.5	+ 9.2	46.6	36.0	+10.6
<b>Canadian Securities, Total</b> .....	357.6	379.0	-21.4	277.0	322.2	-45.1	35.3	22.2	+13.1	45.2	34.6	+10.6
Bonds and Debentures .....	52.7	160.7	-108.0	39.0	145.8	-106.9	3.1	4.9	- 1.8	10.7	10.0	+ 0.6
Common and Preference Stocks .....	297.7	212.9	+ 84.8	233.0	172.5	+ 60.5	30.7	16.5	+14.3	33.9	23.9	+10.0
Other Securities .....	7.2	5.4	+ 1.8	5.0	3.8	+ 1.2	1.6	0.9	+ 0.6	0.7	0.7	-
<b>Foreign Securities, Total</b> .....	102.2	89.3	+ 12.9	99.4	82.7	+ 16.7	1.4	5.3	- 3.9	1.4	1.4	-
United States Issues:												
Bonds and Debentures .....	5.8	5.5	+ 0.2	5.5	4.9	+ 0.6	0.1	-	-	0.2	0.6	- 0.4
Common and Preference Stocks .....	93.8	75.8	+ 18.0	92.8	75.0	+ 17.7	0.3	0.1	+ 0.2	0.8	0.7	+ 0.1
United Kingdom Issues:												
Bonds and Debentures .....	0.4	1.5	- 1.1	0.1	0.7	- 0.7	0.4	0.8	- 0.4	-	-	-
Common and Preference Stocks .....	0.1	4.6	- 4.4	-	0.7	- 0.7	0.1	3.9	- 3.8	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures .....	0.4	1.4	- 1.0	0.4	1.0	- 0.7	-	0.3	- 0.3	-	-	-
Common and Preference Stocks .....	1.0	0.2	+ 0.8	0.6	0.1	+ 0.5	-	-	-	0.3	0.1	+ 0.3
All Other Foreign Securities .....	0.7	0.4	+ 0.3	0.1	0.2	-	0.6	0.2	+ 0.4	-	-	-
<b>Analysis of Bonds and Debentures</b>												
Canadian Issues:												
Government of Canada - Direct .....	19.3	66.8	- 47.4	11.9	59.0	- 47.1	1.3	1.6	- 0.3	6.2	6.2	- 0.1
Government of Canada - Guaranteed .....	1.7	13.6	- 11.9	1.6	12.9	- 11.3	-	0.2	- 0.2	0.1	0.5	- 0.4
Provincial .....	9.0	39.4	- 30.5	8.0	38.2	- 30.2	0.5	0.7	- 0.1	0.5	0.6	- 0.1
Municipal .....	3.7	10.5	- 6.8	3.4	10.4	- 7.0	0.3	-	+ 0.2	-	-	-
Railway, not guaranteed by Government .....	2.2	2.4	- 0.3	2.0	1.9	-	0.1	0.3	- 0.2	0.1	0.2	- 0.1
Other Corporations .....	16.8	27.9	- 11.1	12.1	23.4	- 11.3	0.8	2.1	- 1.2	3.8	2.5	+ 1.4
United States Issues:												
Government .....	2.9	3.7	- 0.8	2.7	3.7	- 1.0	0.1	-	-	0.1	-	+ 0.1
Other .....	2.9	1.8	+ 1.1	2.8	1.2	+ 1.6	-	-	-	0.1	0.6	- 0.5
United Kingdom Issues:												
Government .....	0.4	1.2	- 0.8	0.1	0.7	- 0.6	0.3	0.5	- 0.1	-	-	-
Other .....	-	0.3	- 0.3	-	-	-	-	0.3	- 0.3	-	-	-

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
August .....	5.3	5.9	- 0.7	1.7	3.3	- 1.6	16.1	16.1	-	13.1	13.3	- 0.2
September .....	6.5	8.3	- 1.8	3.4	6.2	- 2.8	16.1	14.8	+ 1.3	12.1	12.3	- 0.2
October .....	17.3	16.0	+ 1.3	4.8	11.0	- 6.2	17.3	17.7	- 0.4	12.0	14.4	- 2.4
November .....	14.1	9.2	+ 4.9	8.4	6.8	+ 1.6	18.2	22.3	- 4.1	13.5	18.3	- 4.8
December .....	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
February .....	16.6	12.8	+ 3.8	10.8	10.7	+ 0.1	26.3	17.5	+ 8.7	20.0	14.0	+ 6.0
March .....	12.9	20.4	- 7.6	6.3	12.5	- 6.3	29.5	22.1	+ 7.3	22.8	18.5	+ 4.3
April .....	12.9	17.4	- 4.5	8.7	14.1	- 5.4	30.5	23.0	+ 7.4	22.2	19.0	+ 3.2
May .....	12.3	16.0	- 3.7	10.0	12.0	- 2.0	28.3	22.9	+ 5.3	20.9	17.8	+ 3.1
June .....	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
August .....	11.4	30.9	-19.6	8.2	25.4	-17.1	34.9	26.6	+ 8.3	27.6	20.8	+ 6.8
September .....	11.3	23.0	-11.7	7.3	19.3	-11.9	38.6	28.0	+10.6	31.1	22.8	+ 8.3
October .....	33.0	37.3	- 4.2	28.3	34.6	- 6.3	38.0	24.3	+13.7	28.9	19.6	+ 9.3
November .....	11.2	26.4	-15.1	8.7	20.8	-12.2	43.8	28.7	+15.0	30.9	21.4	+ 9.5
December .....	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
February .....	8.3	46.8	-38.5	6.9	44.5	-37.6	59.2	39.0	+20.2	45.4	31.3	+14.1
March .....	9.6	31.4	-21.8	7.7	25.6	-17.9	60.6	41.0	+19.6	46.4	31.0	+15.4
April .....	7.6	18.0	-10.4	5.0	16.5	-11.5	69.7	43.9	+25.8	58.3	36.4	+21.9
May .....	15.7	29.3	-13.6	10.0	26.3	-16.3	55.3	47.8	+ 7.6	41.3	38.4	+ 2.9
June .....												
July .....												
August .....												
September .....												
October .....												
November .....												
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



1010510208