

b7-002

C.1

DOMINION BUREAU OF STATISTICS

OTTAWA - CANADA

Published by Authority of the Rt. Hon. C. D. Howe, Minister of Trade and Commerce



DOMINION BUREAU
OF STATISTICS
DEO 17 1956

PROPERTY OF THE
LIBRARY

Vol. 22, No. 10 October, 1956

Price: \$1.00 per year, 10¢ per copy.

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

During the month of October, there was another impressive capital import through net sales to non-residents of outstanding securities. The inflow amounted to \$35 million, and brought the total for ten months to \$231 million. Trading in outstanding Canadian issues accounted for \$29 million of the net balance for October and for \$221 million of the ten-month total.

Non-resident investment in Canadian common and preference stocks continued to be a major feature of international security movements, amounting to \$15 million during October. By far the largest buyers were investors resident in the United Kingdom, who added \$9.8 million to their holdings of Canadian equities. Other overseas investors added \$4.8 million and residents of the United States \$0.7 million. Net sales to all countries of other outstanding Canadian securities, mainly bonds and debentures, amounted to \$14 million. Nearly \$10 million of this amount covered Government of Canada direct issues sold to United States investors.

Market comment has suggested that among the particular factors influencing sales to the United Kingdom during October was the availability in the Canadian market of certain new issues of common stock. In view of the volume of net security sales to the United Kingdom, it should be pointed out that such transactions do not necessarily reflect capital outflows from that country. For example, it is possible that some transactions represent the switching by United Kingdom investors between their holdings of United States (and other dollar) securities and of Canadian securities. Moreover some sales attributed in this report to the United Kingdom may be to nominees for non-residents of that country.

For the ten months ending October, net sales to non-residents of \$221 million outstanding Canadian securities included \$82 million to the United States, \$72 million to the United Kingdom and \$67 million to other overseas countries. Net sales of \$184 million of Canadian stocks included \$82 million to the United States, \$62 million to the United Kingdom and \$40 million to other overseas countries. The balance of transactions in other Canadian securities with the United States was negligible, in contrast to net sales of \$10 million and \$27 million to the United Kingdom and other overseas countries respectively. Government of Canada direct issues made up a substantial part of these sales.

The October sales balance of \$5.5 million arising from trade in outstanding foreign issues, brought the net total to date this year to \$10 million. The monthly balance represented mainly the sale by Canadians of United States stocks.

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.

7503-504-106

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. -
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 (12 months)	1150.6	1151.6	- 1.0	939.2	975.4	-36.2	90.3	74.6	+15.8	121.1	101.7	+19.4
1956 Total (10 months)	1126.5	895.3	+231.3	856.1	768.9	+87.2	128.3	52.9	+75.4	142.1	73.5	+68.7
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	83.9	73.3	+ 10.6	66.5	60.3	+ 6.2	6.8	3.9	+ 2.9	10.5	9.1	+ 1.4
December	91.1	74.5	+ 16.6	76.1	58.2	+17.9	7.2	5.9	+ 1.3	7.8	10.4	- 2.6
1956 - January	96.0	93.6	r + 2.4r	79.6	84.1r	- 4.5r	6.2	4.1	+ 2.1	10.2	5.4	+ 4.8
February	91.3	73.7	+ 17.6	72.4	62.9	+ 9.5	6.3	3.9	+ 2.3	12.6	6.9	+ 5.7
March	130.7	91.7	+ 39.0	107.2	74.8	+32.4	6.5	6.0	+ 0.6	17.0	11.0	+ 6.1
April	139.3	119.6	+ 19.7	106.7	102.4	+ 4.2	12.6	7.2	+ 5.4	20.1	10.0	+10.1
May	140.6	106.7	+ 33.9	114.6	92.4	+22.2	11.5	4.9	+ 6.6	14.5	9.5	+ 5.0
June	97.1	91.9	+ 5.2	70.7	77.6	- 6.9	14.0	6.7	+ 7.4	12.4	7.7	+ 4.7
July	111.4	84.0	+ 27.4	72.7	72.8	- 0.1	23.4	4.8	+18.6	15.3	6.4	+ 8.9
August	121.5	93.9	+ 27.7	91.1	81.8	+ 9.3	15.9	6.2	+ 9.7	14.5	5.8	+ 8.7
September	94.4	70.8	+ 23.5	66.5	59.5	+ 6.9	16.5	5.7	+10.8	11.4	5.6	+ 5.8
October	104.1	69.2	+ 35.0	74.7	60.5	+14.2	15.3	3.4	+12.0	14.1	5.3	+ 8.8
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
1954 Total (12 months)	+ 55.3	- 2.0	+21.0	+36.4	+ 8.6	+ 7.7	+ 1.9	- 1.2
1955 Total (12 months)	- 19.0	-63.6	+25.5	+19.1	+18.0	+27.4	- 9.7	+ 0.3
1956 Total (10months)	+221.2	+82.1	+71.9	+67.2	+10.0	+ 5.2	+ 3.4	+ 1.4
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	+ 5.3	+ 1.9	+ 2.3	+ 1.1	+ 5.3	+ 4.3	+ 0.7	+ 0.3
December	+ 14.5	+16.2	+ 1.2	- 2.9	+ 2.1	+ 1.7	+ 0.1	+ 0.3
1956 - January	+ 18.6r	+12.1r	+ 1.8	+ 4.7	-16.2	-16.6	+ 0.3	+ 0.2
February	+ 22.8	+15.0	+ 1.7	+ 6.0	- 5.2	- 5.6	+ 0.6	- 0.3
March	+ 33.4	+27.1	+ 0.4	+ 5.9	+ 5.5	+ 5.3	+ 0.1	+ 0.1
April	+ 18.6	+ 3.7	+ 5.0	+ 9.9	+ 1.1	+ 0.6	+ 0.4	+ 0.2
May	+ 30.0	+18.2	+ 6.7	+ 5.1	+ 3.8	+ 4.0	- 0.1	- 0.1
June	- 0.3	-11.4	+ 7.2	+ 4.0	+ 5.4	+ 4.6	+ 0.1	+ 0.7
July	+ 30.4	+ 4.4	+17.3	+ 8.8	- 3.0	- 4.5	+ 1.4	+ 0.1
August	+ 18.3	+ 0.3	+ 9.6	+ 8.4	+ 9.3	+ 9.0	+ 0.1	+ 0.2
September	+ 19.8	+ 3.6	+10.5	+ 5.8	+ 3.7	+ 3.4	+ 0.2	+ 0.1
October	+ 29.5	+ 9.3	+11.7	+ 8.5	+ 5.5	+ 5.0	+ 0.2	+ 0.2
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, 1956	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Total.....	104,149	69,158	74,706	60,477	15,343	3,360	14,100	5,321
Canadian Securities, Total.....	83,615	54,090	55,265	46,008	14,611	2,870	13,739	5,212
Bonds and Debentures.....	24,570	12,005	16,695	9,340	2,385	869	5,490	1,796
Common and Preference Stocks.....	57,386	42,081	37,384	36,664	11,805	2,001	8,197	3,416
Other Securities.....	1,659	4	1,186	4	421	-	52	-
Foreign Securities, Total.....	20,534	15,068	19,441	14,469	732	490	361	109
United States Issues:								
Bonds and Debentures.....	1,151	1,004	1,144	1,003	7	-	-	1
Common and Preference Stocks.....	17,317	10,859	17,290	10,711	8	50	19	98
United Kingdom Issues:								
Bonds and Debentures.....	77	1,264	-	1,167	77	97	-	-
Common and Preference Stocks.....	643	335	56	9	587	321	-	-
Other Foreign Countries Issues:								
Bonds and Debentures.....	780	362	756	352	-	9	24	1
Common and Preference Stocks.....	545	17	175	-	52	13	318	4
All Other Foreign Securities.....	21	1,227	20	1,227	1	-	-	-
Analysis of Bonds and Debentures								
Canadian Issues:								
Government of Canada - Direct.....	17,840	5,735	14,098	4,534	591	268	3,151	933
Government of Canada - Guaranteed.....	114	1,102	29	1,101	49	-	36	1
Provincial.....	1,646	2,052	810	1,921	624	26	212	105
Municipal.....	298	363	265	129	18	7	15	227
Railway, not guaranteed by Government	290	79	256	63	11	10	23	6
Other Corporations.....	4,382	2,674	1,237	1,592	1,092	558	2,053	524
United States Issues:								
Government.....	1,001	911	1,001	911	-	-	-	-
Other.....	150	93	143	92	-	-	-	1
United Kingdom Issues:								
Government.....	74	1,263	-	1,167	74	96	-	-
Other.....	3	1	-	-	3	1	-	-

TABLE 4. Trade in Outstanding Securities Between Canada and Other Countries

(Millions of dollars)

Ten months ending October, 1956	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	1126.5	895.3	+231.3	856.1	768.9	+87.2	128.3	52.9	+75.4	142.1	73.5	+68.7
Canadian Securities, Total	922.8	701.5	+221.2	666.4	584.3	+82.1	119.0	47.0	+71.9	137.4	70.2	+67.2
Bonds and Debentures	189.3	158.2	+ 31.0	121.8	124.6	- 2.8	18.9	12.2	+ 6.7	48.6	21.4	+27.2
Common and Preference Stocks	711.1	527.6	+183.5	527.5	445.8	+81.6	95.5	33.2	+62.2	88.1	48.5	+39.6
Other Securities	22.4	15.7	+ 6.7	17.1	13.8	+ 3.3	4.6	1.6	+ 3.0	0.7	0.3	+ 0.4
Foreign Securities, Total	203.8	193.7	+ 10.0	189.8	184.6	+ 5.2	9.3	5.8	+ 3.4	4.7	3.3	+ 1.4
United States Issues:												
Bonds and Debentures	12.8	10.0	+ 2.8	12.6	9.8	+ 2.8	0.2	0.1	+ 0.1	-	0.1	- 0.1
Common and Preference Stocks	172.4	169.9	+ 2.5	170.4	166.9	+ 3.6	0.6	0.5	+ 0.1	1.4	2.6	- 1.2
United Kingdom Issues:												
Bonds and Debentures	3.1	4.1	- 1.0	0.5	1.9	- 1.5	2.6	1.9	+ 0.7	-	0.2	- 0.2
Common and Preference Stocks	6.4	3.0	+ 3.4	2.4	0.7	+ 1.7	4.0	2.3	+ 1.7	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures	3.6	4.0	- 0.4	2.0	3.5	- 1.4	0.6	0.3	+ 0.3	0.9	0.2	+ 0.7
Common and Preference Stocks	3.6	0.2	+ 3.4	1.3	0.1	+ 1.1	0.1	0.1	+ 0.1	2.2	-	+ 2.2
All Other Foreign Securities	1.8	2.5	- 0.6	0.5	1.7	- 1.2	1.2	0.7	+ 0.5	0.1	0.1	-
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	116.3	83.6	+ 32.7	71.1	61.5	+ 9.6	11.2	7.6	+ 3.6	34.0	14.5	+19.5
Government of Canada - Guaranteed	6.2	11.0	- 4.9	5.1	10.7	- 5.6	0.4	0.1	+ 0.3	0.6	0.2	+ 0.4
Provincial	17.8	23.9	- 6.1	13.1	22.6	- 9.5	3.1	0.5	+ 2.6	1.6	0.8	+ 0.8
Municipal	7.3	5.5	+ 1.8	7.0	5.0	+ 2.0	0.2	0.1	+ 0.1	0.1	0.4	- 0.3
Railway, not guaranteed by Government	2.8	2.3	+ 0.5	2.4	1.5	+ 0.9	0.1	0.4	- 0.4	0.3	0.3	-
Other Corporations	39.0	32.0	+ 7.0	23.1	23.3	- 0.2	3.9	3.4	+ 0.5	12.0	5.2	+ 6.7
United States Issues:												
Government	7.5	5.5	+ 2.0	7.5	5.4	+ 2.1	-	0.1	- 0.1	-	-	-
Other	5.4	4.5	+ 0.8	5.1	4.4	+ 0.8	0.2	-	+ 0.1	-	0.1	- 0.1
United Kingdom Issues:												
Government	2.5	3.3	- 0.8	-	1.2	- 1.2	2.4	1.9	+ 0.6	-	0.2	- 0.2
Other	0.6	0.8	- 0.2	0.5	0.7	- 0.3	0.2	0.1	+ 0.1	-	-	-

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. -
1954 – 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	18.9	-11.3	5.0	17.4	-12.4	69.7	43.9	+25.8	58.3	36.4	+21.9
May	15.8	29.7	-13.8	10.1	26.7	-16.6	55.3	47.2	+ 7.5	41.3	38.4	+ 2.8
June	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
August	13.3	26.8	-13.5	9.8	21.0	-11.2	57.2	56.5	+ 0.7	42.6	46.2	- 3.6
September	20.8	18.8	+ 1.9	14.9	16.8	- 1.9	65.2	58.2	+ 7.0	54.0	51.0	+ 3.1
October	13.6	6.8	+ 6.8	7.9	4.2	+ 3.7	49.4	49.7	- 0.3	39.4	41.3	- 1.9
November.....	12.9	15.7	- 2.8	10.2	10.0	+ 0.3	48.9	41.1	+ 7.8	36.2	34.8	+ 1.4
December	22.7	13.4	+ 9.3	19.2	9.3	+ 9.9	50.9	45.9	+ 5.0	40.5	34.3	+ 6.2
1956 – January	29.3	6.7	+22.6	23.2	5.6	+17.6	50.3	54.1 ^r	- 3.8 ^r	41.4	46.7 ^r	- 5.3 ^r
February	16.5	5.2	+11.3	9.1	3.3	+ 5.8	58.1	47.1	+11.0	48.7	39.8	+ 8.9
March	24.4	12.7	+11.6	17.5	7.7	+ 9.8	80.0	58.7	+21.3	64.4	47.5	+16.9
April	22.7	26.1	- 3.4	11.4	20.6	- 9.3	89.8	69.1	+20.6	70.2	58.4	+11.8
May	16.1	13.4	+ 2.7	12.1	11.3	+ 0.8	98.6	72.1	+26.5	78.2	60.8	+17.4
June	12.6	28.7	-16.1	5.8	23.4	-17.6	61.4	46.4	+15.0	44.4	38.5	+ 5.9
July	15.4	20.8	- 5.3	9.8	18.6	- 8.8	75.5	39.9	+35.6	45.7	32.7	+13.0
August	11.9	16.4	- 4.5	7.8	14.1	- 6.4	79.5	57.2	+22.3	55.9	49.2	+ 6.7
September.....	15.8	16.1	- 0.3	8.4	10.5	- 2.1	60.5	40.9	+19.6	41.3	35.6	+ 5.7
October	24.6	12.0	+12.6	16.7	9.3	+ 7.4	57.4	42.1	+15.3	37.4	36.7	+ 0.7
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
BIBLIOTHEQUE STATISTIQUE CANADA



1010510242