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SALES AND PURCHASES OF SECURITIES  
BETWEEN CANADA AND OTHER COUNTRIES

During the month of April, trade in outstanding issues of securities between Canada and other countries resulted in a sales balance or capital inflow of nearly \$20 million. This was down sharply from March when the sales balance amounted to \$39 million. With this one exception, however, the sales balance for April was the largest recorded for any month since June, 1954. After a period of net sales of both Canadian funded debt and equities, Canadians in April were again, on balance, purchasers of Canadian bonds and debentures and sellers of Canadian common and preference stocks. Turnover rose considerably and exceeded \$250 million to set the highest level recorded in the Bureau's series.

Trading with the United States in April led to a sales balance of \$4.2 million compared with \$32.4 million in the previous month. There were net repurchases of \$9.3 million of Canadian bonds and debentures from United States residents. This purchase balance is in contrast to the sales balances recorded for each of the preceding six months. During the month Canadians repurchased from the United States \$4.6 million of Government of Canada issues, \$2.5 million of Canadian provincial and municipal issues, and \$2.1 million of corporate bonds. It might be noted that the interest differential between the representative long-term Canadian and United States Government bonds shown in Table 6 narrowed in April. Transactions in Canadian common and preferred stocks produced a sales balance or capital import of \$11.8 million, while there was a sales balance of \$0.6 million recorded from trade in foreign securities.

Transactions with the United Kingdom and with other foreign countries led to sales balances of \$5.4 million and \$10.1 million respectively. United Kingdom residents increased their holdings of Canadian common and preference stocks by \$4.7 million. Residents of other foreign countries purchased, on balance, \$5.8 million Canadian bonds and debentures, mainly Government of Canada direct and corporate issues, and \$4.1 million Canadian common and preference stocks.

For the first four months of 1956, the net capital inflow on account of trading in outstanding securities reached \$81.6 million, in contrast to the outflow of \$1.1 million recorded for the same period of the previous year. Net sales to all countries of Canadian bonds and debentures amounted to \$42.1 million with net sales of Government of Canada direct issues representing a major part of the total. Transactions in Canadian common and preference stocks led to a capital inflow of \$52.0 million. Canadians bought, on balance, \$16.6 million of United States stocks during the period.

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. -
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 ( 4 months) .....	457.3	375.7	+ 81.6	365.8	321.3	+44.5	31.6	21.2	+10.4	60.0	33.2	+26.8
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	90.7	+ 5.3	79.6	81.2	- 1.6	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 .....												
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
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 ( 4 months) .....	+96.3	+60.8	+ 8.9	+26.6	-14.7	-16.3	+ 1.4	+ 0.2
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 .....	+21.5	+15.0	+ 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 .....								
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)

April, 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.....	139,330	119,630	106,655	102,415	12,590	7,232	20,085	9,983
Canadian Securities, Total.....	117,096	98,517	85,466	81,813	11,798	6,792	19,832	9,912
Bonds and Debentures.....	22,732	26,147	11,380	20,642	1,606	1,552	9,746	3,953
Common and Preference Stocks.....	89,754	69,131	70,150	58,392	9,620	4,878	9,984	5,861
Other Securities.....	4,610	3,239	3,936	2,779	572	362	102	98
Foreign Securities, Total.....	22,234	21,113	21,189	20,602	792	440	253	71
United States Issues:								
Bonds and Debentures.....	859	2,015	856	1,998	3	14	-	3
Common and Preference Stocks.....	19,428	18,134	19,359	17,975	5	127	64	32
United Kingdom Issues:								
Bonds and Debentures.....	171	7	18	3	153	4	-	-
Common and Preference Stocks.....	1,155	278	666	40	489	238	-	-
Other Foreign Countries Issues:								
Bonds and Debentures.....	265	672	119	586	140	57	6	29
Common and Preference Stocks.....	340	7	159	-	2	-	179	7
All Other Foreign Securities.....	16	-	12	-	-	-	4	-
<b>Analysis of Bonds and Debentures</b>								
Canadian Issues:								
Government of Canada - Direct.....	17,267	17,332	8,758	13,279	513	537	7,996	3,516
Government of Canada - Guaranteed.....	107	131	21	111	-	-	86	20
Provincial.....	1,750	3,761	962	3,602	487	118	301	41
Municipal.....	601	513	600	496	-	12	1	5
Railway, not guaranteed by Government.....	137	184	116	108	1	8	20	68
Other Corporations.....	2,870	4,226	923	3,046	605	877	1,342	303
United States Issues:								
Government.....	451	882	451	868	-	14	-	-
Other.....	408	1,133	405	1,130	3	-	-	3
United Kingdom Issues:								
Government.....	81	5	-	3	81	2	-	-
Other.....	90	2	18	-	72	2	-	-

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

Four months ending April, 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 .....	457.3	375.7	+81.6	365.8	321.3	+44.5	31.6	21.2	+10.4	60.0	33.2	+26.8
<b>Canadian Securities, Total</b> .....	<b>381.8</b>	<b>285.5</b>	<b>+96.3</b>	<b>294.7</b>	<b>233.9</b>	<b>+60.8</b>	<b>28.7</b>	<b>19.8</b>	<b>+ 8.9</b>	<b>58.4</b>	<b>31.8</b>	<b>+26.6</b>
Bonds and Debentures .....	92.9	50.8	+42.1	61.1	37.3	+23.9	5.1	3.0	+ 2.1	26.7	10.6	+16.1
Common and Preference Stocks .....	278.1	226.1	+52.0	224.6	189.4	+35.2	22.0	15.7	+ 6.3	31.5	21.0	+10.4
Other Securities .....	10.8	8.6	+ 2.2	8.9	7.3	+ 1.7	1.6	1.1	+ 0.5	0.3	0.2	+ 0.1
<b>Foreign Securities, Total</b> .....	<b>75.5</b>	<b>90.2</b>	<b>-14.7</b>	<b>71.1</b>	<b>87.4</b>	<b>-16.3</b>	<b>2.9</b>	<b>1.5</b>	<b>+ 1.4</b>	<b>1.6</b>	<b>1.4</b>	<b>+ 0.2</b>
United States Issues:												
Bonds and Debentures .....	3.0	3.9	- 0.9	3.0	3.8	- 0.9	-	-	-	-	0.1	- 0.1
Common and Preference Stocks .....	66.3	82.9	-16.6	65.8	81.3	-15.5	0.2	0.4	- 0.2	0.3	1.2	- 0.9
United Kingdom Issues:												
Bonds and Debentures .....	0.4	0.1	+ 0.3	-	-	-	0.4	0.1	+ 0.3	-	-	-
Common and Preference Stocks .....	2.7	1.0	+ 1.7	1.1	0.2	+ 0.9	1.6	0.8	+ 0.9	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures .....	1.8	2.1	- 0.3	0.6	1.8	- 1.1	0.5	0.2	+ 0.3	0.6	0.1	+ 0.5
Common and Preference Stocks .....	1.0	0.1	+ 0.9	0.4	0.1	+ 0.3	-	-	-	0.6	-	+ 0.6
All Other Foreign Securities .....	0.2	0.2	-	0.2	0.2	-	-	-	-	0.1	-	+ 0.1
<b>Analysis of Bonds and Debentures</b>												
Canadian Issues:												
Government of Canada - Direct .....	60.6	30.6	+30.1	37.6	21.0	+16.6	2.7	1.1	+ 1.5	20.4	8.5	+11.9
Government of Canada - Guaranteed .....	2.3	1.2	+ 1.0	1.7	1.1	+ 0.5	0.2	-	+ 0.2	0.4	0.1	+ 0.3
Provincial .....	5.8	6.1	- 0.4	4.3	5.7	- 1.4	0.9	0.2	+ 0.7	0.6	0.3	+ 0.3
Municipal .....	3.7	1.5	+ 2.2	3.6	1.3	+ 2.3	-	0.1	- 0.1	-	0.1	- 0.1
Railway, not guaranteed by Government .....	1.3	0.8	+ 0.5	1.2	0.6	+ 0.6	-	0.1	- 0.1	0.1	0.2	-
Other Corporations .....	19.2	10.5	+ 8.7	12.7	7.6	+ 5.2	1.3	1.5	- 0.2	5.2	1.5	+ 3.7
United States Issues:												
Government .....	1.1	1.7	- 0.6	1.1	1.7	- 0.6	-	-	-	-	-	-
Other .....	1.9	2.2	- 0.3	1.8	2.1	- 0.3	-	-	-	-	0.1	- 0.1
United Kingdom Issues:												
Government .....	0.3	-	+ 0.3	-	-	-	0.3	-	+ 0.3	-	-	-
Other .....	0.1	0.1	-	-	-	-	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	47.8	+ 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	51.2	- 0.9	41.4	43.8	- 2.4
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
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**

## Exchange Rate

STATISTICS CANADA LIBRARY  
BIBLIOTHÈQUE STATISTIQUE CANADA



1010510230