

C.A 67 002

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

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Vol. 22 No. 5.

May, 1956

Price: \$1.00 per year, 10¢ per copy

SALES AND PURCHASES OF SECURITIES
BETWEEN CANADA AND OTHER COUNTRIES

Trade in outstanding securities between Canada and other countries during the month of May resulted in a sales balance or capital import of \$33.9 million. With the one exception of March, this was the largest sales balance recorded in a single month for more than five years. Transactions in Canadian securities led to net sales of both bonds and debentures and common and preference stocks, but most of the net inflow was into Canadian stocks rather than into bonds. Net sales of Canadian stocks to all countries of \$26.5 million exceeded the previous record in April 1955.

Transactions with the United States led to a sales balance of \$22.2 million. There continued to be large net sales of Canadian common and preference stocks to United States residents. The \$17.4 million sales balance recorded for these transactions is the largest since mid-1955. Trading in Canadian bonds and debentures produced a sales balance of less than \$1 million. The net repurchases of Government of Canada direct and corporation issues were more than offset by the net sales of Government of Canada guaranteed and provincial issues. Canadians, on balance, reduced their holdings of foreign securities and as a result an inflow of \$4.0 million was recorded reflecting mainly sales of United States stocks.

The balance of security trading with the United Kingdom and other foreign countries led to sales balances of \$6.6 million and \$5.0 million respectively. As in the previous month, residents of these countries added substantially to their holdings of Canadian common and preference stocks. Transactions in Canadian bonds and debentures, mainly Government of Canada direct issues, resulted in sales balances of \$0.3 million and \$1.6 million with residents of the United Kingdom and other foreign countries respectively.

Trading in outstanding securities over the first five months of the year produced a net capital inflow of \$115.5 million. This is a larger capital inflow than in any five months period since the concentrated inflows in the summer of 1950. This sales balance reflected the net sales of \$126.3 million Canadian securities and the net purchase of \$10.9 million foreign securities. The net import of capital from the United States from trade in all outstanding securities was \$66.7 million, while sales balances of \$17.0 million and \$31.8 million were recorded with the United Kingdom and other foreign countries respectively. During the period, Canadians, on balance, purchased \$12.7 million of United States stocks but sold \$2.2 million stocks of the United Kingdom.

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.

7503-504-56

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 (5 months)	598.0	482.5	+115.5	480.4	413.7	+66.7	43.1	26.1	+17.0	74.5	42.7	+31.8
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	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												
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 (5 months)	+126.3	+79.0	+15.6	+31.7	-10.9	-12.3	+ 1.3	+ 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	+ 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	+30.0	+18.2	+ 6.7	+ 5.1	+ 3.8	+ 4.0	- 0.1	- 0.1
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, 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	140,626	106,748	114,634	92,424	11,466	4,861	14,526	9,463
Canadian Securities, Total	118,148	88,115	92,985	74,761	10,909	4,220	14,254	9,134
Bonds and Debentures	16,126	13,387	12,145	11,333	1,042	693	2,939	1,361
Common and Preference Stocks	98,621	72,079	78,180	60,792	9,217	3,517	11,224	7,770
Other Securities	3,401	2,649	2,660	2,636	650	10	91	3
Foreign Securities, Total	22,478	18,633	21,649	17,663	557	641	272	329
United States Issues:								
Bonds and Debentures	1,460	1,465	1,460	1,439	-	23	-	3
Common and Preference Stocks	19,778	15,889	19,573	15,709	10	1	195	179
United Kingdom Issues:								
Bonds and Debentures	53	-	1	-	52	-	-	-
Common and Preference Stocks	807	392	372	40	424	323	11	29
Other Foreign Countries Issues:								
Bonds and Debentures	241	554	165	460	10	14	66	80
Common and Preference Stocks	116	-	56	-	60	-	-	-
All Other Foreign Securities	23	333	22	15	1	280	-	38
Analysis of Bonds and Debentures								
Canadian Issues:								
Government of Canada - Direct	5,456	6,298	3,501	5,398	625	298	1,330	602
Government of Canada - Guaranteed	3,137	66	3,016	60	15	-	106	6
Provincial	3,512	1,871	2,870	1,627	164	98	478	146
Municipal	754	417	688	365	50	52	16	-
Railway, not guaranteed by Government	324	447	274	343	-	100	50	4
Other Corporations	2,943	4,288	1,796	3,540	188	145	959	603
United States Issues:								
Government	545	599	545	576	-	23	-	-
Other	915	866	915	863	-	-	-	3
United Kingdom Issues:								
Government	45	-	-	-	45	-	-	-
Other	8	-	1	-	7	-	-	-

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

Five months ending May, 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	598.0	482.5	+115.5	480.4	413.7	+66.7	43.1	26.1	+17.0	74.5	42.7	+31.8
Canadian Securities, Total	500.0	373.7	+126.3	387.7	308.7	+79.0	39.6	24.0	+15.6	72.7	41.0	+31.7
Bonds and Debentures	109.0	64.2	+ 44.8	73.3	48.6	+24.7	6.1	3.6	+ 2.5	29.6	11.9	+17.6
Common and Preference Stocks	376.8	298.2	+ 78.5	302.8	250.2	+52.6	31.3	19.2	+12.0	42.7	28.8	+13.9
Other Securities	14.2	11.3	+ 3.0	11.6	9.9	+ 1.7	2.2	1.1	+ 1.1	0.4	0.2	+ 0.2
Foreign Securities, Total	98.0	108.8	- 10.9	92.7	105.0	-12.3	3.4	2.1	+ 1.3	1.8	1.7	+ 0.1
United States Issues:												
Bonds and Debentures	4.5	5.4	- 0.9	4.4	5.3	- 0.8	-	-	-	-	0.1	- 0.1
Common and Preference Stocks	86.1	98.8	- 12.7	85.3	97.0	-11.6	0.2	0.4	- 0.1	0.5	1.4	- 0.9
United Kingdom Issues:												
Bonds and Debentures	0.5	0.1	+ 0.4	-	-	-	0.5	0.1	+ 0.4	-	-	-
Common and Preference Stocks	3.6	1.4	+ 2.2	1.5	0.2	+ 1.2	2.1	1.1	+ 1.0	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures	2.0	2.6	- 0.6	0.8	2.2	- 1.4	0.5	0.3	+ 0.3	0.7	0.1	+ 0.5
Common and Preference Stocks	1.2	0.1	+ 1.0	0.5	0.1	+ 0.4	0.1	-	+ 0.1	0.6	-	+ 0.6
All Other Foreign Securities	0.2	0.5	- 0.3	0.2	0.2	-	-	0.3	- 0.3	0.1	-	-
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	66.1	36.9	+ 29.2	41.1	26.4	+ 14.7	3.3	1.4	+ 1.9	21.7	9.1	+12.6
Government of Canada - Guaranteed	5.4	1.3	+ 4.1	4.7	1.2	+ 3.5	0.3	-	+ 0.2	0.5	0.1	+ 0.4
Provincial	9.3	8.0	+ 1.3	7.2	7.3	- 0.2	1.1	0.3	+ 0.8	1.1	0.4	+ 0.7
Municipal	4.4	1.9	+ 2.5	4.3	1.7	+ 2.6	0.1	0.1	- 0.1	-	0.1	- 0.1
Railway, not guaranteed by Government	1.7	1.3	+ 0.4	1.5	0.9	+ 0.6	-	0.2	- 0.2	0.2	0.2	-
Other Corporations	22.1	14.8	+ 7.3	14.5	11.1	+ 3.4	1.5	1.6	- 0.1	6.1	2.1	+ 4.0
United States Issues:												
Government	1.7	2.3	- 0.6	1.7	2.3	- 0.6	-	-	-	-	-	-
Other	2.8	3.1	- 0.3	2.8	3.0	- 0.2	-	-	-	-	0.1	- 0.1
United Kingdom Issues:												
Government	0.4	-	+ 0.4	-	-	-	0.4	-	+ 0.4	-	-	-
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
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												
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



1010510232