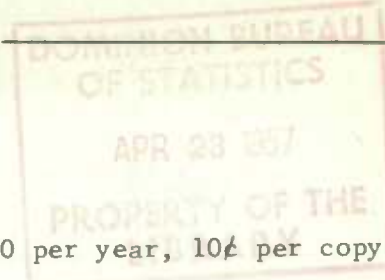


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DOMINION BUREAU OF STATISTICS

OTTAWA - CANADA

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



Vol. 23, No. 2

February, 1957

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 led to a sales balance or capital import of nearly \$13 million in February. This figure was more than double the sales balance of \$6 million recorded in January.

Transactions in Canadian securities accounted for \$12.5 million of the sales balance for the month. There were net sales of \$15.3 million outstanding Canadian common and preference stocks, and net repurchases of \$2.8 million of Canadian bonds and other securities. Repurchases of Government of Canada direct and guaranteed and provincial issues amounted on balance to \$9.3 million but there were net sales of municipal and corporate issues.

Net sales of Canadian securities to the United Kingdom fell by \$6 million from their very high level in January, to amount to \$7.6 million. This balance included about \$6.1 million of stocks and \$1.5 million of bonds and other securities. Net sales to residents of other overseas countries rose from \$4.9 million in January to \$8.1 million in February. More than half this total, \$5.3 million, covered net sales of bonds, which included significant amounts of corporate and Government of Canada direct issues. Most of the remainder covered Canadian stocks. Net repurchases of outstanding Canadian securities from the United States totalled \$3.2 million in February compared with \$5.1 million in January. There were sales of \$6.7 million of stocks to residents of the United States, but these were more than offset by repurchases of \$9.9 million of Canadian bonds. Significant amounts of Government of Canada and provincial direct debt were among the issues repurchased but these were partly offset by net sales of smaller amounts of municipal and corporate bonds.

Transactions in outstanding foreign securities led to a small sales balance.

Interest rates in both Canada and the United States, as measured by the representative medium-term Government issues shown in Table 6, fell between mid-January and mid-February. But the decline in the yield on the United States issue was greater, and the differential rose from 73 basic points to 93 basic points or from about three-quarters to nearly one per cent. By the end of the month, however, the differential had narrowed considerably.

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.

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. -
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 (12 months)	1309.5	1073.4	+236.1	987.4	922.9	+64.5	151.7	64.9	+86.8	170.4	85.6	+84.8
1957 Total (2 months)	171.4	152.5	+ 18.9	113.2	128.5	-15.4	32.9	11.3	+21.6	25.4	12.7	+12.7
1956 - January	96.0	93.6	+ 2.4	79.6	84.1	- 4.5	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	92.6	+ 4.5	70.7	78.2	- 7.5	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	121.9	93.9	+ 28.0	91.5	81.8	+ 9.6	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	74.2	+ 30.0	74.7	65.5	+ 9.2	15.3	3.4	+12.0	14.1	5.3	+ 8.8
November	94.0	75.2	+ 18.8	67.5	61.0	+ 6.5	11.6	6.4	+ 5.2	14.8	7.9	+ 7.0
December	88.7	97.3	- 8.6	63.4	87.4	-24.0	11.8	5.6	+ 6.2	13.5	4.3	+ 9.2
1957 - January	87.3	81.2	+ 6.0	57.0	69.7	-12.7	18.9	4.9	+14.0	11.3	6.6	+ 4.8
February	84.2	71.3	+ 12.9	56.1	58.8	- 2.6	14.0	6.4	+ 7.6	14.0	6.2	+ 7.9
March												
April												
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
1955 Total (12 months)	- 19.0	- 63.6	+ 25.5	+ 19.1	+ 18.0	+ 27.4	- 9.7	+ 0.3
1956 Total (12 months)	+207.9	+ 42.0	+ 83.0	+ 82.9	+ 28.2	+ 22.5	+ 3.8	+ 1.9
1957 Total (2 months)	+ 25.8	- 8.4	+ 21.2	+ 13.0	- 6.9	- 7.0	+ 0.4	- 0.3
1956 - January	+ 18.6	+ 12.1	+ 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	- 0.9	- 12.1	+ 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	+ 9.7	+ 9.4	+ 0.1	+ 0.2
September.....	+ 19.8	+ 3.6	+ 10.5	+ 5.8	+ 3.7	+ 3.4	+ 0.2	+ 0.1
October	+ 24.5	+ 4.3	+ 11.7	+ 8.5	+ 5.5	+ 5.0	+ 0.2	+ 0.2
November	+ 11.8	- 0.3	+ 5.0	+ 7.1	+ 7.0	+ 6.9	+ 0.2	- 0.1
December	- 19.4	- 34.1	+ 6.1	+ 8.6	+ 10.8	+ 10.1	+ 0.1	+ 0.6
1957 - January	+ 13.3	- 5.1	+ 13.6	+ 4.9	- 7.3	- 7.6	+ 0.4	- 0.1
February	+ 12.5	- 3.2	+ 7.6	+ 8.1	+ 0.4	+ 0.6	-	- 0.2
March								
April								
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)

February, 1957	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Total	84,164	71,310	56,139	58,778	13,981	6,378	11,044	6,154
Canadian Securities, Total	72,338	59,866	45,733	48,957	13,515	5,902	13,090	5,007
Bonds and Debentures	18,119	21,318	7,466	17,321	4,214	2,873	6,439	1,124
Common and Preference Stocks	52,928	37,649	37,437	30,737	9,110	3,029	6,381	3,883
Other Securities	1,291	899	830	899	191	-	270	-
Foreign Securities, Total	11,826	11,444	10,406	9,821	466	476	954	1,147
United States Issues:								
Bonds and Debentures	1,037	2,049	920	1,973	23	-	94	76
Common and Preference Stocks	10,024	8,647	9,311	7,601	74	-	639	1,046
United Kingdom Issues:								
Bonds and Debentures	62	200	7	190	55	10	-	-
Common and Preference Stocks	301	386	5	13	296	373	-	-
Other Foreign Countries Issues:								
Bonds and Debentures	69	84	27	41	18	36	24	7
Common and Preference Stocks	328	-	131	-	-	-	197	-
All Other Foreign Securities	5	78	5	3	-	57	-	18
Analysis of Bonds and Debentures								
Canadian Issues:								
Government of Canada - Direct	5,294	10,650	1,160	8,736	1,590	1,490	2,544	424
Government of Canada - Guaranteed	60	657	44	617	-	-	16	40
Provincial	1,294	4,681	348	4,614	660	36	286	31
Municipal	1,621	35	1,546	35	12	-	63	-
Railway, not guaranteed by Government	346	677	240	582	30	16	76	79
Other Corporations	9,504	4,618	4,128	2,737	1,922	1,331	3,454	550
United States Issues:								
Government	290	178	177	178	23	-	90	-
Other	747	1,871	743	1,795	-	-	4	76
United Kingdom Issues:								
Government	48	5	-	-	48	5	-	-
Other	14	195	7	190	7	5	-	-

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

(Millions of dollars)

Two Months Ending February, 1957	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	171.4	152.5	+ 18.9	113.2	128.5	- 15.4	32.9	11.3	+ 21.6	25.4	12.7	+ 12.7
Canadian Securities, Total	146.5	120.7	+ 25.8	90.8	99.2	- 8.4	31.5	10.3	+ 21.2	24.1	11.2	+ 13.0
Bonds and Debentures	30.1	32.7	- 2.6	14.8	26.1	- 11.3	5.5	3.7	+ 1.8	9.9	2.9	+ 6.9
Common and Preference Stocks	113.7	85.8	+ 27.9	74.1	71.1	+ 3.0	25.6	6.5	+ 19.1	14.0	8.2	+ 5.7
Other Securities	2.6	2.1	+ 0.5	1.9	1.9	-	0.5	0.1	+ 0.3	0.3	-	+ 0.3
Foreign Securities, Total	25.0	31.9	- 6.9	22.4	29.4	- 7.0	1.4	1.0	+ 0.4	1.2	1.5	- 0.3
United States Issues:												
Bonds and Debentures	2.8	11.5	- 8.7	2.6	11.3	- 8.7	0.1	-	+ 0.1	0.1	0.2	- 0.1
Common and Preference Stocks	20.1	18.8	+ 1.3	19.3	17.3	+ 1.9	0.1	0.2	- 0.1	0.7	1.2	- 0.5
United Kingdom Issues:												
Bonds and Debentures	0.3	0.5	- 0.3	-	0.4	- 0.3	0.2	-	+ 0.1	-	0.1	- 0.1
Common and Preference Stocks	1.0	0.6	+ 0.4	-	-	-	1.0	0.6	+ 0.3	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures	0.2	0.4	- 0.2	0.1	0.3	- 0.2	-	0.1	-	-	-	-
Common and Preference Stocks	0.7	-	+ 0.7	0.3	-	+ 0.3	-	-	-	0.4	-	+ 0.4
All Other Foreign Securities	-	0.1	- 0.1	-	-	-	-	0.1	- 0.1	-	-	-
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	10.1	14.0	- 3.9	4.5	10.7	- 6.3	2.0	1.8	+ 0.2	3.7	1.5	+ 2.1
Government of Canada - Guaranteed	0.1	1.5	- 1.4	0.1	1.4	- 1.4	-	-	-	-	0.1	-
Provincial	2.3	5.4	- 3.1	1.2	5.3	- 4.1	0.7	-	+ 0.7	0.4	0.1	+ 0.3
Municipal	2.6	0.1	+ 2.5	2.5	0.1	+ 2.5	-	-	-	0.1	0.1	-
Railway, not guaranteed by Government	0.8	1.2	- 0.4	0.5	1.0	- 0.6	-	-	-	0.2	0.1	+ 0.1
Other Corporations	14.3	10.5	+ 3.8	6.1	7.8	- 1.4	2.7	1.8	+ 0.9	5.5	1.1	+ 4.3
United States Issues:												
Government	1.4	7.5	- 6.1	1.3	7.5	- 6.2	-	-	-	0.1	-	+ 0.1
Other	1.4	4.0	- 2.6	1.3	3.8	- 2.5	0.1	-	+ 0.1	-	0.2	- 0.1
United Kingdom Issues:												
Government	0.2	0.1	-	-	-	-	0.2	-	+ 0.1	-	0.1	- 0.1
Other	0.1	0.4	- 0.3	-	0.4	- 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. -
1955 - 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	- 3.8	41.4	46.7	- 5.3
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	47.0	+14.4	44.4	39.2	+ 5.2
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	47.1	+10.3	37.4	41.7	- 4.3
November	22.3	19.3	+ 3.0	14.6	15.0	- 0.5	52.4	43.3	+ 9.1	34.8	34.1	+ 0.7
December	13.4	41.8	-28.4	5.9	38.7	-32.8	51.8	42.4	+ 9.4	35.6	36.4	- 0.8
1957 - January	12.0	11.4	+ 0.6	7.4	8.8	- 1.4	60.8	48.2	+12.6	36.7	40.4	- 3.7
February	18.1	21.3	- 3.2	7.5	17.3	- 9.9	52.9	37.6	+15.3	37.4	30.7	+ 6.7
March												
April												
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 6.

Domestic Government Bonds
(Wednesday nearest middle of month)

Stock Prices
(1935-1939 = 100)

Exchange Rate

Year and Month	Canada 2½% due June 15, 1967-68		United States 2½% due Dec. 15, 1963-68		United Kingdom 3% due April 15, 1959-69		Canada (Dominion Bureau of Statistics)		United States Standard and Poor's Composite Stock Index of Industrials, Railroads and Utilities	United States dollar in Canada (noon average in cents)
	Price	Yield	Price	Yield	Price	Yield	Investors' Price Index (Industrials Utilities Banks)	Composite Mining Index		
1952 - March	90.50	3.52	97.19	2.71	84.28	4.31	177.6	102.7	185.2	99.59
June	90.87	3.50	99.37	2.55	82.84	4.46	171.6	102.0	187.6	97.92
September	89.50	3.63	97.50	2.69	87.12	4.08	171.6	106.6	188.2	95.98
December	90.00	3.60	97.31	2.71	86.22	4.17	168.4	103.4	197.0	97.06
1953 - March	89.50	3.65	95.69	2.84	88.59	3.97	170.0	101.7	198.0	98.33
June	89.00	3.71	92.56	3.11	90.22	3.83	156.8	90.2	182.8	99.44
September	88.62	3.76	94.12	2.98	90.81	3.79	152.9	85.0	179.2	98.43
December	90.12	3.63	97.75	2.68	91.62	3.72	153.6	79.9	190.7	97.31
1954 - March	94.37	3.25	100.69	2.42	93.31	3.58	165.0	84.3	204.9	97.08
June	96.12	3.09	100.53	2.44	95.25	3.41	180.5	90.0	221.8	98.13
September	97.75	2.95	100.44	2.45	97.00	3.26	189.5	96.4	238.5	96.97
December	97.75	2.95	99.72	2.52	96.69	3.29	206.8	100.9	264.5	96.80
1955 - March	99.00	2.84	98.25	2.65	91.00	3.83	213.7	105.7	277.5	98.43
June	98.75	2.87	97.25	2.75	86.94	4.31	237.1	121.5	300.7	98.44
September	96.50	3.08	95.59	2.90	80.00	5.05	255.9	129.0	323.2	98.78
December	93.25	3.42	96.16	2.86	82.37	4.80	247.6	121.4	327.0	99.95
1956 - March	94.50	3.30	96.00	2.88	78.63	5.28	267.9	134.4	346.7	99.87
June	93.63	3.40	95.88	2.90	78.63	5.32	267.0	136.4	340.5	98.53
September	90.00	3.81	91.69	3.33	77.66	5.48	278.9	137.4	343.6	97.77
December	88.50	4.01	91.28	3.39	77.91	5.49	267.8	129.4	339.6	96.05
1957 - January	87.75	4.11	91.44	3.38	80.75	5.14	273.7	129.9	334.9	96.07
February	88.00	4.08	93.63	3.15	83.50	4.81	263.2	122.2	321.9	95.83
March										
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