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SALES AND PURCHASES OF SECURITIES

BETWEEN CANADA AND OTHER COUNTRIES

The net sale by Canadians of outstanding securities in May reached nearly \$40 million, and was made up of net sales of \$11 million to the United States, \$18 million to the United Kingdom and \$11 million to other overseas countries. The net inflow which occurred in May has not been exceeded since September 1950 when the inflows were largely the effect of expectations of changes in the exchange rate.

Trade in outstanding Canadian securities accounted for \$26 million of the net sales balance in the month. Residents of the United Kingdom were the major buyers, and the sales balance of \$18 million was fully represented by Canadian common and preference stocks. This unprecedentedly large net trade in stocks with that country compared with \$12 million in April being larger even than that which resulted from trading in stocks in July 1956. Residents of other overseas countries also added to their holdings through trade in outstanding Canadian issues. The net sales balance of \$11 million was nearly double the April figure. It included about \$7 million of Canadian stocks but there were also net sales of Canadian bonds, principally corporate obligations. In contrast to the results of trading with overseas countries there were small repurchase balances with the United States in respect of both Canadian stocks and Canadian bonds, resulting in a capital export from Canada of some \$3 million.

During the first five months of 1957 net sales of outstanding Canadian securities to non-residents produced a net capital inflow of \$80 million. This total was some \$43 million smaller than for the corresponding period of 1956. The difference was more than made up by a shift in the direction of trade in outstanding Canadian bonds, etc., which changed from net sales of \$48 million in the five months of 1956 to net repurchases of \$3 million in 1957. Net sales to non-residents of outstanding Canadian stocks rose in the corresponding period from \$75 million to \$83 million. There was also a considerable change in the geographical origin of the inflows in the two periods. In the first five months of 1956 net sales to the United States amounted to \$76 million, to the United Kingdom \$15 million, and to other overseas countries \$32 million. In 1957 there were net repurchases of \$12 million from the United States and the balance with overseas countries other than the United Kingdom remained relatively unchanged at \$32 million, but the net inflow from the United Kingdom reached no less than \$60 million.

Transactions in outstanding foreign securities led to a net sales balance or capital import of \$14 million. On balance this reflected entirely the sale by Canadian investors of stocks of United States corporations.

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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EDMOND CLOUTIER, C.M.G., O.A., D.S.P., Queen's Printer and Controller of Stationery, Ottawa, 1957.

**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 ( 5 months) .....	518.7	432.9	+ 85.9	343.7	349.7	- 6.0	101.2	40.7	+60.5	73.8	42.5	+31.4
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	81.7	+ 5.5	57.0	69.8 r	-12.7	18.9	4.9	+14.0	11.3	7.1	+ 4.3
February .....	84.2	71.8	+ 12.4	56.1	58.8	- 2.6	14.0	6.4	+ 7.6	14.0	6.7	+ 7.4
March .....	84.4 r	78.2	+ 6.3 r	56.6	60.5	- 3.8	15.9 r	8.5	+ 7.4 r	11.9	9.2	+ 2.7
April .....	108.0	86.1	+ 21.9	71.5	69.6	+ 2.0	20.8	7.0 r	+13.9	15.6	9.5	+ 6.1
May .....	154.9	115.0	+ 39.8	102.4	91.1	+11.2	31.5	13.9	+17.6	21.0	10.0	+11.0
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
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 ( 5 months) .....	+ 80.0	- 11.8	+ 60.1	+ 31.8	+ 5.9	+ 5.9	+ 0.4	- 0.4
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 .....	+ 12.8	- 5.1	+ 13.6	+ 4.4	- 7.3	- 7.6	+ 0.4	- 0.1
February .....	+ 12.0	- 3.2	+ 7.6	+ 7.6	+ 0.4	+ 0.6	-	- 0.2
March .....	+ 10.7 r	+ 0.5	+ 7.1 r	+ 3.0	- 4.5	- 4.4	+ 0.2	- 0.3
April .....	+ 18.6	- 0.9	+ 13.6	+ 5.9	+ 3.3	+ 2.9	+ 0.3	+ 0.1
May .....	+ 25.9	- 3.1	+ 18.2	+ 10.8	+ 13.9	+ 14.4	- 0.5	+ 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, 1957	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>	<b>154,868</b>	<b>115,042</b>	<b>102,370</b>	<b>91,139</b>	<b>31,545</b>	<b>13,906</b>	<b>20,953</b>	<b>9,997</b>
<b>Canadian Securities, Total</b>	<b>122,450</b>	<b>96,562</b>	<b>72,232</b>	<b>75,351</b>	<b>29,661</b>	<b>11,501</b>	<b>20,557</b>	<b>9,710</b>
Bonds and Debentures	19,227	17,929	9,655	10,391	4,042	5,578	5,530	1,960
Common and Preference Stocks	101,443	77,308	62,516	63,865	24,327	5,746	14,600	7,697
Other Securities	1,780	1,325	61	1,095	1,292	177	427	53
<b>Foreign Securities, Total</b>	<b>32,418</b>	<b>18,480</b>	<b>30,138</b>	<b>15,788</b>	<b>1,884</b>	<b>2,405</b>	<b>396</b>	<b>287</b>
United States Issues:								
Bonds and Debentures	953	1,248	893	1,241	17	7	43	-
Common and Preference Stocks	28,897	14,433	28,748	14,162	16	2	133	269
United Kingdom Issues:								
Bonds and Debentures	96	6	31	-	65	6	-	-
Common and Preference Stocks	1,631	2,414	41	24	1,590	2,390	-	-
Other Foreign Countries Issues:								
Bonds and Debentures	57	318	43	317	-	-	14	1
Common and Preference Stocks	783	58	381	41	196	-	206	17
All Other Foreign Securities	1	3	1	3	-	-	-	-
<b>Analysis of Bonds and Debentures</b>								
Canadian Issues:								
Government of Canada - Direct	6,967	8,453	5,37	3,904	1,199	4,352	631	197
Government of Canada - Guaranteed	465	1,768	328	1,751	33	8	104	9
Provincial	848	1,546	557	1,243	111	185	180	118
Municipal	186	272	186	123	-	105	-	44
Railway, not guaranteed by Government	345	447	98	389	217	23	30	35
Other Corporations	10,416	5,443	3,349	2,981	2,482	905	4,585	1,557
United States Issues:								
Government	294	135	278	135	16	-	-	-
Other	659	1,113	615	1,106	1	7	43	-
United Kingdom Issues:								
Government	45	6	-	-	45	6	-	-
Other	51	-	31	-	20	-	-	-

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

(Millions of dollars)

Five months ending May, 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 .....	518.7	432.9	+85.9	343.7	349.7	- 6.0	101.2	40.7	+60.5	73.8	42.5	+31.4
Canadian Securities, Total .....	437.0	357.0	+80.0	269.2	281.1	-11.8	96.3	36.2	+60.1	71.4	39.7	+31.8
Bonds and Debentures .....	80.3	84.5	- 4.2	40.8	57.1	-16.3	15.4	14.9	+ 0.4	24.2	12.4	+11.7
Common and Preference Stocks .....	349.9	266.6	+83.3	224.9	218.7	+ 6.2	78.8	20.8	+57.9	46.2	27.0	+19.2
Other Securities .....	6.8	5.9	+ 0.8	3.6	5.2	- 1.7	2.2	0.5	+ 1.7	1.0	0.3	+ 0.8
Foreign Securities, Total .....	81.7	75.9	+ 5.9	74.5	68.6	+ 5.9	4.8	4.4	+ 0.4	2.4	2.8	- 0.4
United States Issues:												
Bonds and Debentures .....	6.5	14.0	- 7.5	6.1	13.9	- 7.7	0.2	-	+ 0.2	0.2	0.2	-
Common and Preference Stocks .....	67.6	55.4	+12.2	66.0	52.8	+13.2	0.5	0.2	+ 0.2	1.2	2.4	- 1.2
United Kingdom Issues:												
Bonds and Debentures .....	0.5	0.7	- 0.2	0.1	0.5	- 0.4	0.4	0.1	+ 0.3	-	0.1	- 0.1
Common and Preference Stocks .....	3.7	4.1	- 0.5	0.1	0.2	-	3.6	4.0	- 0.4	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures .....	0.6	1.2	- 0.6	0.4	1.0	- 0.7	0.1	0.1	-	0.1	0.1	-
Common and Preference Stocks .....	2.4	0.1	+ 2.3	1.3	0.1	+ 1.2	0.2	-	+ 0.2	0.9	-	+ 0.9
All Other Foreign Securities .....	0.5	0.3	+ 0.2	0.5	0.2	+ 0.2	-	0.1	- 0.1	-	-	-
<b>Analysis of Bonds and Debentures</b>												
Canadian Issues:												
Government of Canada - Direct .....	27.4	37.0	- 9.7	16.8	22.5	- 5.7	4.9	8.4	- 3.4	5.7	6.2	- 5.6
Government of Canada - Guaranteed .....	1.3	5.5	- 4.2	0.6	5.1	- 4.5	0.5	0.3	+ 0.2	0.2	0.2	-
Provincial .....	6.9	9.8	- 2.9	4.5	9.0	- 4.5	1.2	0.5	+ 0.7	1.2	0.3	+ 0.9
Municipal .....	3.0	0.6	+ 2.4	2.9	0.4	+ 2.5	-	0.1	- 0.1	0.1	0.1	-
Railway, not guaranteed by Government .....	1.7	3.1	- 1.4	1.0	2.5	- 1.5	0.3	0.4	- 0.1	0.4	0.3	+ 0.2
Other Corporations .....	40.0	28.4	+11.6	15.1	17.8	- 2.7	8.4	5.2	+ 3.1	16.5	5.3	+11.2
United States Issues:												
Government .....	3.4	8.2	- 4.7	3.3	8.2	- 4.9	0.1	-	+ 0.1	0.1	-	+ 0.1
Other .....	3.1	5.9	- 2.8	2.9	5.7	- 2.8	0.1	-	+ 0.1	0.1	0.2	- 0.1
United Kingdom Issues:												
Government .....	0.3	0.2	+ 0.1	-	0.1	- 0.1	0.3	-	+ 0.2	-	0.1	- 0.1
Other .....	0.2	0.5	- 0.3	0.1	0.4	- 0.3	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. -
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	11.9	+ 0.1	7.4	8.8	- 1.5 r	60.8	48.2	+12.6	36.7	40.4	- 3.7
February .....	18.1	21.8	- 3.7	7.5	17.3	- 9.9	52.9	37.6	+15.3	37.4	30.7	+ 6.7
March .....	13.9 r	17.5	- 3.6 r	6.8	10.6	- 3.9	59.5	44.4	+15.1	40.3	35.1	+ 5.3
April .....	17.1	15.4 r	+ 1.7	9.5	10.0	- 0.4	75.2	59.0	+16.2	47.9	48.7	- 0.8
May .....	19.2	17.9	+ 1.3	9.7	10.4	- 0.7	101.4	77.3	+24.1	62.5	63.9	- 1.3
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



1010510256