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**SALES AND PURCHASES OF SECURITIES  
BETWEEN CANADA AND OTHER COUNTRIES**

Trading in outstanding securities between Canada and other countries led to a net capital inflow of \$25.5 million in August. There were net sales of \$9.8 million to residents of the United States, \$7.0 million to the United Kingdom and \$8.7 million to other overseas countries. The substantial sales balance in August was somewhat below the figure of \$29.6 million recorded in July.

Net sales of outstanding Canadian securities accounted for \$16.4 million of the balance in August compared with \$26.6 million in July. Most of this change reflected a shift in trading in outstanding bonds and debentures from a sales balance of \$5.7 million in July to a repurchase balance of \$4.2 million in August. Trade in outstanding Canadian common and preferred stocks accounted for \$20.0 million in each month, although in August this arose about equally from trading with the United States, the United Kingdom, and other overseas countries, in contrast to July when the net balance with the United States was less than \$1 million. Net sales of Canadian stocks to the United Kingdom amounted to \$6.4 million in August, compared with \$10.9 million in July.

The net capital inflow from trade in outstanding foreign securities rose from \$2.9 million in July to \$9.1 million in August. Most of this change reflected increased net resales by Canadians of United States Stocks.

It will be recalled that the month of August saw relatively sharp declines in the prices of both Canadian and United States stocks, a continuing rise in the yields obtainable on Canadian bonds, and the sudden movement of the exchange rate for the Canadian dollar through a new high for this century as well as a subsequent reaction to the levels prevailing earlier in the year.

For the eight months ending August, transactions in outstanding Canadian securities resulted in a net capital inflow of \$125 million. This included net sales of \$89 million and \$57 million to the United Kingdom and other overseas countries respectively. Transactions with the United States led to a repurchase balance or capital outflow over the period of \$21 million caused by the repurchases by Canadians of outstanding Canadian bonds and debentures. Net sales of \$131 million of Canadian stocks in the eight months included \$87 million to the United Kingdom and \$40 million to other overseas countries respectively. Trading in foreign securities resulted in a net capital inflow of \$17 million and reflected mainly net sales by Canadians of \$23 million of United States stocks offset in part by the acquisition of \$7 million United States bonds and debentures. During the first eight months of 1956 the net capital inflow from the sale of outstanding Canadian securities was \$175 million, or some \$50 million higher than in the current year. The corresponding movement from trade in outstanding foreign securities in 1956 was, however, less than \$1 million.

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.

7503-504-87

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 (8 months) .....	828.9	686.7	+142.2	544.3	549.2	- 4.9	161.4	71.8	+ 89.6	123.2	65.7	+ 57.5
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	- 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	78.2	+ 6.3	56.6	60.5	- 3.8	15.9	8.5	+ 7.4	11.9	9.2	+ 2.7
April .....	108.0	86.1	+ 21.9	71.5	69.6	+ 2.0	20.8	7.0	+ 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 .....	108.6	107.3	+ 1.3	72.0	87.7	- 15.7	22.1	10.3	+ 11.8	14.5	9.2	+ 5.3
July .....	113.1	83.6	+ 29.6	70.2	63.2	+ 7.1	23.5	13.2	+ 10.3	19.4	7.2	+ 12.2
August .....	88.5	63.0	+ 25.5	58.4	48.6	+ 9.8	14.6	7.6	+ 7.0	15.5	6.8	+ 8.7
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 ( 8 months) .....	+ 125.1	- 21.0	+ 88.7	+ 57.3	+ 17.1	+ 16.1	+ 0.9	+ 0.2
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	+ 0.5	+ 7.1	+ 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 .....	+ 2.1	- 15.4	+ 12.0	+ 5.4	- 0.8	- 0.4	- 0.3	- 0.1
July .....	+ 26.6	+ 4.4	+ 10.4	+ 11.9	+ 2.9	+ 2.7	- 0.1	+ 0.3
August .....	+ 16.4	+ 1.9	+ 6.2	+ 8.3	+ 9.1	+ 7.9	+ 0.8	+ 0.4
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)

August, 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 .....	88,472	63,017	58,390	48,612	14,626	7,637	15,456	6,768
Canadian Securities, Total .....	70,756	54,381	42,509	40,631	13,279	7,048	14,968	6,702
Bonds and Debentures .....	9,394	13,553	5,472	10,115	1,864	2,029	2,058	1,409
Common and Preference Stocks .....	59,762	39,766	35,655	29,621	11,275	4,917	12,832	5,228
Other Securities .....	1,600	1,062	1,382	895	140	102	78	65
Foreign Securities, Total .....	17,716	8,636	15,881	7,981	1,347	589	488	66
United States Issues:								
Bonds and Debentures .....	1,335	902	1,064	902	271	-	-	-
Common and Preference Stocks .....	14,678	6,752	14,576	6,720	9	-	93	32
United Kingdom Issues:								
Bonds and Debentures .....	284	280	24	280	260	-	-	-
Common and Preference Stocks .....	923	595	138	3	785	588	-	4
Other Foreign Countries Issues:								
Bonds and Debentures .....	89	107	60	76	22	1	7	30
Common and Preference Stocks .....	406	-	18	-	-	-	388	-
All Other Foreign Securities .....	1	-	1	-	-	-	-	-
<b>Analysis of Bonds and Debentures</b>								
Canadian Issues:								
Government of Canada - Direct .....	3,734	6,027	2,160	4,830	1,198	1,037	376	160
Government of Canada - Guaranteed .....	61	17	54	16	-	1	7	-
Provincial .....	433	1,251	159	1,107	19	18	255	126
Municipal .....	953	1,448	911	1,422	-	6	42	20
Railway, not guaranteed by Government .....	411	377	20	98	325	91	66	188
Other Corporations .....	3,802	4,433	2,168	2,642	322	876	1,312	915
United States Issues:								
Government .....	298	253	27	253	271	-	-	-
Other .....	1,037	649	1,037	649	-	-	-	-
United Kingdom Issues:								
Government .....	261	271	3	271	258	-	-	-
Other .....	23	9	21	9	2	-	-	-

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

(Millions of dollars)

Eight months ending August, 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 .....	828.9	686.7	+142.2	544.3	549.2	- 4.9	161.4	71.8	+89.6	123.2	65.7	+57.5
Canadian Securities, Total .....	691.3	566.2	+125.1	419.0	440.0	-21.0	152.4	63.7	+88.7	119.8	62.5	+57.3
Bonds and Debentures .....	122.0	131.0	- 9.0	66.9	92.8	-25.8	20.7	20.5	+ 0.1	34.4	17.7	+16.7
Common and Preference Stocks .....	555.9	424.8	+131.1	343.0	338.1	+ 4.8	128.9	42.3	+86.6	84.0	44.4	+39.7
Other Securities .....	13.4	10.4	+ 3.0	9.1	9.1	+ 0.1	2.9	0.9	+ 2.0	1.4	0.5	+ 0.9
Foreign Securities, Total .....	137.6	120.5	+ 17.1	125.3	109.2	+16.1	9.0	8.1	+ 0.9	3.4	3.2	+ 0.2
United States Issues:												
Bonds and Debentures .....	10.4	17.4	- 7.0	9.4	17.2	- 7.9	0.5	-	+ 0.5	0.5	0.2	+ 0.4
Common and Preference Stocks .....	114.5	91.8	+ 22.7	112.6	88.8	+23.8	0.5	0.2	+ 0.3	1.4	2.7	- 1.3
United Kingdom Issues:												
Bonds and Debentures .....	0.9	0.9	+ 0.1	0.2	0.8	- 0.5	0.7	-	+ 0.7	-	0.1	- 0.1
Common and Preference Stocks .....	7.3	8.1	- 0.9	0.3	0.7	- 0.3	6.9	7.5	- 0.6	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures .....	0.7	1.6	- 0.9	0.5	1.4	- 0.9	0.1	0.1	-	0.1	0.1	-
Common and Preference Stocks .....	3.0	0.3	+ 2.7	1.5	0.1	+ 1.4	0.2	0.2	+ 0.1	1.3	-	+ 1.3
All Other Foreign Securities .....	0.7	0.3	+ 0.4	0.7	0.2	+ 0.5	-	0.1	- 0.1	-	-	-
<b>Analysis of Bonds and Debentures</b>												
Canadian Issues:												
Government of Canada — Direct .....	47.2	50.8	- 3.6	32.5	32.9	- 0.4	6.9	10.2	- 3.3	7.7	7.6	+ 0.1
Government of Canada — Guaranteed .....	2.4	7.5	- 5.1	1.1	6.9	- 5.8	0.5	0.3	+ 0.2	0.8	0.3	+ 0.5
Provincial .....	9.9	21.2	- 11.3	5.7	19.8	-14.1	1.6	0.6	+ 1.0	2.6	0.8	+ 1.8
Municipal .....	4.7	3.4	+ 1.3	4.2	3.0	+ 1.2	0.2	0.2	-	0.4	0.2	+ 0.2
Railway, not guaranteed by Government .....	3.0	4.1	- 1.1	1.4	3.0	- 1.6	1.0	0.6	+ 0.4	0.7	0.5	+ 0.2
Other Corporations .....	54.7	43.9	+ 10.8	22.1	27.1	- 5.1	10.4	8.6	+ 1.8	22.2	8.1	+14.1
United States Issues:												
Government .....	4.3	9.8	- 5.4	3.9	9.8	- 5.9	0.3	-	+ 0.3	0.1	-	+ 0.1
Other .....	6.1	7.7	- 1.6	5.5	7.5	- 2.0	0.2	-	+ 0.2	0.4	0.2	+ 0.3
United Kingdom Issues:												
Government .....	0.6	0.5	+ 0.2	-	0.3	- 0.3	0.6	-	+ 0.6	-	0.1	- 0.1
Other .....	0.3	0.5	- 0.1	0.2	0.5	- 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. -
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	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	17.5	- 3.6	6.8	10.6	- 3.9	59.5	44.4	+15.1	40.3	35.1	+ 5.3
April .....	17.1	15.4	+ 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 .....	15.4	21.7	- 6.4	10.4	18.3	- 7.9	72.8	65.1	+ 7.7	43.0	50.9	- 7.9
July .....	16.9	11.2	+ 5.7	10.3	7.2	+ 3.1	73.4	53.4	+20.0	39.5	38.9	+ 0.6
August .....	9.4	13.6	- 4.2	5.5	10.1	- 4.6	59.8	39.8	+20.0	35.7	29.6	+ 6.0
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**

## Stock Prices

### Exchange Rate

STATISTICS CANADA LIBRARY  
BIBLIOTHÈQUE STATISTIQUE CANADA



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PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES, AUGUST, 1957