

DOMINION BUREAU OF STATISTICS
OTTAWA - CANADA

Published by Authority of the Hon. Gordon Churchill, Minister of Trade and Commerce



DOMINION BUREAU
OF STATISTICS

SEP 19 1958

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Vol. 24, No. 7

July, 1958

Price: \$1.00 per year, 10¢ per copy

SALES AND PURCHASES OF SECURITIES

BETWEEN CANADA AND OTHER COUNTRIES

International transactions in outstanding securities led to a capital inflow of \$15.8 million in July compared with an outflow of \$5.3 million in June. The balance was made up of net sales of \$10.1 million Canadian securities and of \$5.7 million foreign securities. By far the larger part of the net movement, \$12.4 million, came from the United States, but there were also sales balances from trade with the United Kingdom and with other overseas countries.

The balance of trading in outstanding Canadian securities was about equally divided between stocks and bonds. Net sales of Government of Canada direct issues amounting to more than \$7 million were particularly noteworthy. Gross sales of these issues exceeded \$13 million and may have been influenced by the increased price for Victory Loans arising from the Conversion Loan offering, coupled with an attractive exchange rate for the Canadian dollar.

The balance of trading in foreign securities arose, as usual, mainly from trading in United States issues. Canadians sold, on balance, \$3.6 million of United States bonds and debentures, mainly Government issues, and \$2.0 million of United States stocks.

During the seven months of 1958, the net capital inflow from trade in outstanding portfolio securities amounted to \$20 million, which represented a sharp reduction from the total of \$117 million for the corresponding period of 1957. The inflow from the United Kingdom fell from \$83 million to a negligible amount, and that from other overseas countries fell from \$49 million to \$2 million. On the other hand, trading with the United States led to a sales balance or capital import of \$18 million in the seven months of 1958, in contrast to an outflow of \$15 million in the same period a year earlier.

The decline in the capital inflow from trade in outstanding securities in the first seven months of 1957 and 1958 reflected mainly decreased external demands for Canadian equities. Net sales of Canadian stocks were \$111 million in the earlier period, \$8 million in 1958. An outflow for the repurchase of other outstanding Canadian securities occurred in each year, \$2 million in 1957 and \$7 million in 1958. Net sales by Canadians of outstanding foreign securities led to inflows of \$8 million and \$19 million respectively in the two periods.

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.

7503-504-78

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. -
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 (12 months)	1084.1	943.8	+ 140.4	730.5	749.9	- 19.4	194.5	105.8	+ 88.8	159.1	88.1	+ 71.0
1958 Total (7 months)	419.9	399.5	+ 20.3	310.8	292.6	+ 18.2	56.4	56.2	+ 0.2	52.7	50.7	+ 2.0
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	61.9	69.1	- 7.2	44.0	51.4	- 7.4	7.7	12.3	- 4.5	10.1	5.4	+ 4.7
October	85.7	67.2	+ 18.5	62.7	51.7	+ 10.9	10.1	9.4	+ 0.7	13.0	6.1	+ 6.9
November	52.6	69.9	- 17.3	36.7	59.5	- 22.8	9.1	5.6	+ 3.5	6.8	4.7	+ 2.0
December	55.0	50.9	+ 4.1	42.8	38.1	+ 4.7	6.2	6.6	- 0.4	6.0	6.2	- 0.2
1958 - January	49.8	45.6	+ 4.2	38.0	33.3	+ 4.7	6.1	7.0	- 0.9	5.7	5.2	+ 0.4
February	49.6	47.2	+ 2.4	37.5	33.8	+ 3.6	4.6	7.7	- 3.0	7.5	5.7	+ 1.8
March	52.5	53.0	- 0.4	33.6	36.0	- 2.3	11.6	11.0	+ 0.6	7.3	6.0	+ 1.3
April	55.9	60.3	- 4.4	40.4	45.3	- 4.9	8.5	10.3	- 1.8	7.0	4.7	+ 2.3
May	77.9	70.0	+ 8.0	63.2	48.7	+ 14.5	7.7	6.2	+ 1.5	7.0	15.1	- 8.0
June	60.7	66.0	- 5.3	45.9	55.8	- 9.9	6.8	5.2	+ 1.7	8.0	5.1	+ 2.9
July	73.4	57.5	+ 15.8	52.2	39.7	+ 12.4	11.0	8.8	+ 2.2	10.3	9.0	+ 1.2
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
1956 Total (12 months)	+ 207.9	+ 42.0	+ 83.0	+ 82.9	+ 28.2	+ 22.5	+ 3.8	+ 1.9
1957 Total (12 months)	+ 108.5	- 49.7	+ 86.8	+ 71.4	+ 31.9	+ 30.3	+ 2.0	- 0.4
1958 Total (7 months)	+ 1.5	- 0.8	- 0.4	+ 2.8	+ 18.8	+ 19.0	+ 0.6	- 0.8
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	- 11.6	- 11.2	- 5.1	+ 4.7	+ 4.4	+ 3.8	+ 0.5	+ 0.1
October	+ 7.0	-	+ 0.2	+ 6.8	+ 11.5	+ 10.9	+ 0.5	+ 0.1
November	- 7.0	- 12.2	+ 3.2	+ 2.0	- 10.3	- 10.6	+ 0.2	-
December	- 5.0	- 5.3	- 0.3	+ 0.5	+ 9.2	+ 10.0	- 0.1	- 0.7
1958 - January	+ 0.7	+ 1.2	- 0.9	+ 0.4	+ 3.5	+ 3.5	-	-
February	- 2.6	- 0.7	- 3.6	+ 1.8	+ 5.0	+ 4.3	+ 0.6	-
March	- 2.2	- 4.0	+ 0.6	+ 1.2	+ 1.8	+ 1.7	-	+ 0.1
April	- 3.5	- 4.1	- 2.0	+ 2.7	- 0.9	- 0.7	+ 0.3	- 0.4
May	+ 6.3	+ 12.5	+ 1.5	- 7.7	+ 1.7 r	+ 2.0	- 0.1	- 0.2 r
June	- 7.3	- 11.9	+ 1.7	+ 2.9	+ 2.0	+ 2.0	- 0.1	-
July	+ 10.1	+ 6.3	+ 2.4	+ 1.4	+ 5.7	+ 6.1	- 0.2	- 0.2
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)

July, 1958	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Total	73,383	57,540	52,170	39,724	10,962	8,793	10,251	9,023
Canadian Securities, Total	56,090	45,943	35,437	29,112	10,469	8,083	10,184	8,748
Bonds and Debentures	19,507	14,215	10,495	8,563	4,810	3,114	4,202	2,538
Common and Preference Stocks	36,424	31,453	24,783	20,274	5,659	4,969	5,982	6,210
Other Securities	159	275	159	275	-	-	-	-
Foreign Securities, Total	17,293	11,597	16,733	10,612	493	710	67	275
United States Issues:								
Bonds and Debentures	4,523	945	4,472	596	35	349	16	-
Common and Preference Stocks	11,904	9,887	11,878	9,697	4	-	22	190
United Kingdom Issues:								
Bonds and Debentures	21	-	3	-	18	-	-	-
Common and Preference Stocks	440	261	10	68	430	193	-	-
Other Foreign Countries Issues:								
Bonds and Debentures	392	271	362	245	5	6	25	20
Common and Preference Stocks	5	227	-	-	1	162	4	65
All Other Foreign Securities	8	6	8	6	-	-	-	-
Analysis of Bonds and Debentures								
Canadian Issues:								
Government of Canada - Direct	13,259	6,198	8,507	2,594	3,161	2,353	1,591	1,251
Government of Canada - Guaranteed	337	179	104	53	134	29	99	97
Provincial	1,000	3,788	797	3,365	140	57	63	366
Municipal	292	772	107	748	95	2	90	22
Railway, not guaranteed by Government	206	210	48	145	81	25	77	40
Other Corporations	4,413	3,068	932	1,658	1,199	648	2,282	762
United States Issues:								
Government	3,691	190	3,673	190	18	-	-	-
Other	832	755	799	406	17	349	16	-
United Kingdom Issues:								
Government	18	-	-	-	18	-	-	-
Other	3	-	3	-	-	-	-	-

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

Seven months ending July, 1958	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	419.9	399.5	+20.3	310.8	292.6	+18.2	56.4	56.2	+ 0.2	52.7	50.7	+ 2.0
Canadian Securities, Total	326.7	325.2	+ 1.5	221.6	222.4	- 0.8	53.1	53.5	- 0.4	52.0	49.3	+ 2.8
Bonds and Debentures	117.9	124.3	- 6.4	71.0	78.7	- 7.7	24.6	23.7	+ 0.9	22.3	21.9	+ 0.3
Common and Preference Stocks	208.0	200.0	+ 8.0	150.0	143.0	+ 7.0	28.3	29.7	- 1.4	29.7	27.3	+ 2.4
Other Securities	0.8	0.8	-	0.5	0.7	- 0.1	0.2	0.1	+ 0.1	-	0.1	-
Foreign Securities, Total	93.1	74.4	+18.8	89.2	70.2	+19.0	3.3	2.7	+ 0.6	0.7	1.4	- 0.8
United States Issues:												
Bonds and Debentures	26.2	15.8	+10.5	25.0	15.2	+ 9.8	1.1	0.5	+ 0.6	0.1	-	-
Common and Preference Stocks	63.4	52.9	+10.5	63.2	51.7	+11.5	-	0.2	- 0.2	0.2	1.0	- 0.8
United Kingdom Issues:												
Bonds and Debentures	0.5	0.9	- 0.4	0.1	0.7	- 0.6	0.3	0.2	+ 0.2	-	-	-
Common and Preference Stocks	1.8	1.9	- 0.2	0.1	0.4	- 0.3	1.7	1.6	+ 0.1	-	-	-
Other Foreign Countries Issues:												
Bonds and Debentures	1.1	2.5	- 1.4	0.8	2.1	- 1.4	0.1	0.1	-	0.3	0.3	-
Common and Preference Stocks	-	0.3	- 0.2	-	-	-	-	0.2	- 0.2	-	0.1	- 0.1
All Other Foreign Securities	0.1	0.1	-	-	0.1	- 0.1	-	-	-	0.1	-	+ 0.1
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	59.0	51.7	+ 7.2	38.2	24.6	+13.5	13.2	12.6	+ 0.6	7.7	14.5	- 6.9
Government of Canada - Guaranteed	10.6	12.2	- 1.6	7.0	9.5	- 2.5	2.1	2.2	- 0.1	1.4	0.5	+ 0.9
Provincial	8.0	26.4	-18.4	4.5	21.8	-17.3	2.4	3.4	- 1.1	1.1	1.2	- 0.1
Municipal	3.4	3.8	- 0.4	2.4	3.3	- 0.9	0.6	0.4	+ 0.2	0.4	0.1	+ 0.3
Railway, not guaranteed by Government	1.4	2.1	- 0.7	0.4	1.5	- 1.1	0.4	0.3	+ 0.2	0.5	0.3	+ 0.2
Other Corporations	35.5	28.0	+ 7.5	18.4	18.0	+ 0.5	6.0	4.8	+ 1.2	11.1	5.3	+ 5.8
United States Issues:												
Government	12.1	4.8	+ 7.3	11.3	4.8	+ 6.5	0.8	-	+ 0.8	-	-	-
Other	14.1	11.0	+ 3.2	13.7	10.4	+ 3.3	0.3	0.5	- 0.2	0.1	-	-
United Kingdom Issues:												
Government	0.3	0.2	+ 0.1	-	-	-	0.3	0.1	+ 0.1	-	-	-
Other	0.2	0.7	- 0.5	0.1	0.7	- 0.6	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. -
1956 – 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	7.9	23.4	-15.4	4.5	16.8	-12.3	40.9	37.4	+ 3.5	27.7	26.9	+ 0.8
October	15.3	15.6	- 0.3	5.8	11.9	- 6.0	46.2	39.2	+ 7.0	33.6	28.0	+ 5.6
November.....	12.6	20.9	- 8.4	7.2	17.4	-10.2	29.6	28.6	+ 1.0	19.7	22.2	- 2.5
December	9.9	13.9	- 3.9	4.1	9.5	- 5.4	23.7	24.8	- 1.1	17.9	17.9	-
1958 – January	12.2	10.3	+ 1.9	7.9	6.4	+ 1.5	24.7	26.1	- 1.3	17.9	18.3	- 0.3
February	15.2	16.5	- 1.3	9.5	11.2	- 1.7	19.6	20.9	- 1.4	14.2	13.3	+ 0.9
March	17.2	19.2	- 2.0	5.8	10.8	- 5.0	25.2	25.3	- 0.1	18.2	17.2	+ 1.0
April	14.1	19.1	- 5.1	8.4	12.0	- 3.7	28.0	26.4	+ 1.5	18.9	19.4	- 0.5
May	28.4	28.4	-	22.4	16.4	+ 6.1	36.6	30.3	+ 6.4	28.2	21.7	+ 6.5
June	11.4	16.6	- 5.2	6.6	13.3	- 6.8	37.5	39.5	- 2.0	27.9	33.0	- 5.1
July.....	19.5	14.2	+ 5.3	10.5	8.6	+ 1.9	36.4	31.5	+ 5.0	24.8	20.3	+ 4.5
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



1010510284