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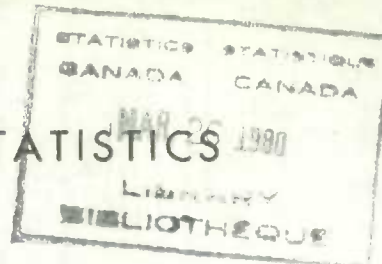
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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

JUNE 1963

Security Transactions - Second Quarter

Net sales balances occurred during the second quarter from transactions between Canada and other countries in both Canadian and foreign portfolio securities, resulting in a net capital import of \$212 million. This fifth successive net quarterly inflow, since the last outflow of \$73 million in the first quarter of 1962, was somewhat smaller than in either of the two immediately preceding quarters, and as shown later included substantial deliveries on earlier contracts.

Generally heavy retirements of \$177 million Canadian securities during the quarter, including stocks of utility companies acquired by the Quebec Hydro-Electric Commission, were more than offset by the \$390 million capital import for the acquisition of new Canadian securities, particularly bonds and debentures of corporations and provincial governments. In the first quarter of the year there had been sales of \$412 million new Canadian issues, with retirements of only \$53 million.

There were net disposals of foreign securities by Canadians in the second quarter totalling \$12 million, a large proportion being the resale to United States residents of United States equities. In the first quarter there had been a smaller inflow of \$4 million.

The net capital outflow arising from trade in outstanding Canadian and foreign securities diminished nearly \$26 million over the quarter to just over \$3 million for the second quarter. Net repurchases of Canadian securities from non-residents were smaller by nearly \$21 million and net sales of foreign issues were larger by slightly more than \$5 million.

Over the first half of 1963 there was a net sales balance of \$541 million between Canada and all countries covering all portfolio security transactions; this compared with the \$19 million outflow from Canada for this purpose during the same period last year, which included a period of exchange difficulty. Net additional sale of \$554 million of new Canadian issues during the recent period was mainly responsible for the difference in size and direction of the capital flows.

Security Transactions between Canada and Other Countries

Net Sales (+) or Purchases (-) by Canadians	1962 ^P				1963 ^P	
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter
	millions of dollars					
Canadian securities:						
Outstanding issues - Bonds, etc.	- 3	+ 4	+ 39	+ 24	+ 23	+ 31
Stocks	- 14	- 44	- 26	- 32	- 57	- 44
New issues	+ 47	+ 201*	+ 81	+ 381	+ 412	+ 390
Retirements	- 74	- 71	- 54	- 123	- 53	- 177
Foreign securities:						
Outstanding issues	- 32	- 37	- 9	- 5	+ 5	+ 10
New issues	- 2	- 4	- 5	- 5	- 6	- 3
Retirements	+ 5	+ 5	+ 5	+ 5	+ 5	+ 5
Totals - all securities	- 73	+ 54	+ 31	+ 245	+ 329	+ 212

^P Preliminary figures.

* Includes 125 applied to the refinancing of external liabilities in other forms.

Note: Text continues on page 8.

Prepared in the Balance of Payments Section
National Accounts and Balance of Payments DivisionAugust 1963
2206-501

TABLE 2. Trade in Outstanding Canadian 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. -
1961 - Year	1,284.7	1,185.6	+ 99.2	993.1	797.7	+195.4	120.2	193.4	- 73.3	171.4	194.5	- 22.9
1962 - Year	1,390.7	1,442.6	- 51.9	1,136.1	1,064.4	+ 71.7	130.6	195.6	- 64.9	124.0	182.7	- 58.7
1963 - 6 months	410.7	457.1	- 46.4	241.8	259.7	- 17.9	86.3	116.3	- 30.1	82.6	81.1	+ 1.5
1962 - January	159.5	149.8	+ 9.6	136.4	121.4	+ 15.0	11.3	16.8	- 5.4	11.7	11.6	+ 0.1
February	123.0	129.3	- 6.2	101.1	100.6	+ 0.4	10.6	14.5	- 3.9	11.3	14.2	- 2.8
March	190.8	203.9	- 13.1	169.0	175.6	- 6.6	7.1	14.2	- 7.1	14.7	14.2	+ 0.6
April	148.7	182.8	- 34.1	130.9	132.7	- 1.8	9.1	18.2	- 9.1	8.7	31.9	- 23.2
May	122.5	120.1	+ 2.4	92.6	80.5	+ 12.1	15.7	20.5	- 4.8	14.1	19.1	- 5.0
June	111.2	121.5	- 10.3	87.0	75.3	+ 11.7	16.8	27.3	- 10.5	7.4	18.9	- 11.5
July	52.9	66.1	- 13.1	38.3	33.2	+ 5.0	7.2	18.0	- 10.8	7.5	14.8	- 7.3
August	63.9	51.3	+ 12.6	50.5	32.1	+ 18.3	6.6	9.0	- 2.4	6.8	10.1	- 3.3
September	117.9	104.2	+ 13.7	98.2	84.8	+ 13.4	8.2	9.7	- 1.5	11.6	9.8	+ 1.8
October	122.6	103.0	+ 19.6	103.7	79.7	+ 23.9	8.6	11.6	- 3.0	10.3	11.7	- 1.3
November	65.2	79.8	- 14.5	38.8	51.9	- 13.1	15.2	16.7	- 1.5	11.2	11.2	-
December	111.0	124.2	- 13.1	88.2	96.5	- 8.3	14.3	19.2	- 4.9	8.5	8.5	+ 0.1
Month not identified	1.4	6.7	- 5.3	1.4	-	+ 1.4	-	-	-	-	6.7	- 6.7
1963 - January	69.5	78.5	- 9.0	45.3	49.8	- 4.5	11.2	15.9	- 4.6	13.0	12.8	+ 0.2
February	61.0	71.0	- 10.0	40.3	41.9	- 1.6	10.5	15.4	- 4.8	10.2	13.8	- 3.6
March	59.8	74.4	- 14.6	40.4	45.2	- 4.9	10.8	19.4	- 8.6	8.6	9.7	- 1.1
April	67.6	78.4	- 10.8	43.1	47.8	- 4.8	9.6	15.2	- 5.6	14.9	15.4	- 0.4
May	90.5	93.1	- 2.6	39.9	43.5	- 3.6	29.9	31.5	- 1.6	20.7	18.1	+ 2.6
June	62.2	61.6	+ 0.5	32.8	31.3	+ 1.5	14.2	19.0	- 4.8	15.2	11.3	+ 3.9
July												
August												
September												
October												
November												
December												
Month not identified												

1
2
1

As figures are rounded, totals may not equal sum of component parts.

TABLE 3. Trade in Outstanding Foreign 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.-
1961 - Year	426.5	431.7	- 5.1	402.5	396.1	+ 6.5	10.5	20.0	- 9.5	13.5	15.6	- 2.1
1962 - Year	331.7	414.8	-83.1	308.8	382.0	- 73.2	10.1	11.3	- 1.3	12.9	21.5	- 8.6
1963 - 6 months	200.0	185.5	+14.5	184.7	172.6	+ 12.1	6.4	4.6	+ 1.9	8.9	8.4	+ 0.5
1962 - January	26.4	30.9	- 4.5	25.4	28.2	- 2.9	0.1	0.7	- 0.6	0.9	1.9	- 1.0
February	28.2	31.2	- 2.9	27.1	29.8	- 2.7	0.3	0.6	- 0.3	0.9	0.8	+ 0.1
March	30.8	54.7	-23.8	27.7	48.2	- 20.4	1.1	1.7	- 0.6	2.0	4.8	- 2.8
April	22.3	33.9	-11.6	20.2	31.3	- 11.1	0.9	0.6	+ 0.3	1.2	2.0	- 0.8
May	33.7	47.7	-14.0	31.8	42.6	- 10.8	0.8	3.1	- 2.3	1.1	2.0	- 0.9
June	34.7	46.3	-11.6	32.4	42.4	- 10.0	0.7	0.5	+ 0.2	1.6	3.4	- 1.8
July	31.5	37.8	- 6.3	28.9	35.7	- 6.8	1.9	0.3	+ 1.6	0.7	1.8	- 1.1
August	27.5	25.1	+ 2.4	26.3	23.7	+ 2.7	0.7	0.3	+ 0.5	0.4	1.2	- 0.8
September	20.5	25.3	- 4.8	18.6	24.0	- 5.3	0.5	0.5	-	1.3	0.8	+ 0.5
October	26.4	23.0	+ 3.4	25.2	22.2	+ 2.9	0.6	0.3	+ 0.3	0.7	0.5	+ 0.2
November	21.3	29.4	- 8.0	19.1	28.6	- 9.5	1.8	0.6	+ 1.2	0.4	0.2	+ 0.2
December	28.1	28.8	- 0.7	25.8	24.7	+ 1.1	0.7	2.2	- 1.5	1.6	1.9	- 0.3
Month not identified	0.2	0.8	- 0.6	0.2	0.5	- 0.3	-	-	-	-	0.3	- 0.3
1963 - January	27.4	28.3	- 0.9	25.2	27.1	- 1.9	1.2	0.6	+ 0.6	1.0	0.7	+ 0.3
February	25.6	24.1	+ 1.6	23.5	21.7	+ 1.8	1.6	1.3	+ 0.2	0.6	1.0	- 0.5
March	26.4	22.4	+ 4.0	24.3	20.9	+ 3.4	1.2	0.4	+ 0.7	1.0	1.1	- 0.1
April	39.7	40.0	- 0.4	36.5	36.5	-	0.7	0.5	+ 0.2	2.4	3.0	- 0.6
May	46.2	39.2	+ 7.0	43.4	37.7	+ 5.7	0.4	0.4	-	2.4	1.1	+ 1.2
June	34.6	31.4	+ 3.2	31.8	28.7	+ 3.1	1.4	1.3	-	1.5	1.4	+ 0.1
July												
August												
September												
October												
November												
December												
Month not identified												

As figures are rounded, totals may not equal sum of component parts.

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

(Thousands of dollars)

June, 1963	Total Sales	Total Purchases	United States		United Kingdom		Other Foreign Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Grand Total, Canadian and Foreign Securities	96,797	93,064	64,566	60,024	15,545	20,335	16,686	12,705
Canadian Securities, Total	62,151	61,624	32,789	31,328	14,180	19,013	15,182	11,283
Bonds and Debentures	23,491	17,078	10,359	4,959	6,914	8,078	6,218	4,041
Common and Preference Stocks	38,507	44,517	22,358	26,359	7,266	10,916	8,883	7,242
Other Securities	153	29	72	10	-	19	81	-
Foreign Securities, Total	34,646	31,440	31,777	28,696	1,365	1,322	1,504	1,422
United States Issues:								
Bonds and Debentures	4,487	1,731	4,474	1,731	13	-	-	-
Common and Preference Stocks	28,303	27,929	27,235	25,954	5	853	1,063	1,122
United Kingdom Issues:								
Bonds and Debentures	2	1	-	1	2	-	-	-
Common and Preference Stocks	1,336	617	5	379	1,327	238	4	-
Other Foreign Countries Issues:								
Bonds and Debentures	186	768	56	566	3	9	127	193
Common and Preference Stocks	243	394	7	65	15	222	221	107
All Other Foreign Securities	89	-	-	-	-	-	89	-
Analysis of Bonds and Debentures								
Canadian Issues:								
Government of Canada - Direct	16,737	12,139	5,644	2,319	6,746	7,830	4,347	1,990
Government of Canada - Guaranteed	2,045	642	1,267	470	81	-	697	172
Provincial	1,321	880	957	299	18	77	346	504
Municipal	184	531	180	529	-	-	4	2
Railway, not guaranteed by Government	7	151	7	20	-	45	-	86
Other Corporations	3,197	2,735	2,304	1,322	69	126	824	1,287
United States Issues:								
Government	3,867	1,284	3,854	1,284	13	-	-	-
Other	620	447	620	447	-	-	-	-
United Kingdom Issues:								
Government	1	-	-	-	1	-	-	-
Other	1	1	-	1	1	-	-	-

TABLE 5. Trade in Outstanding Securities Between Canada and Other Countries

(Millions of dollars)

Six months ending June, 1963	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. -
Grand Total, Canadian and Foreign Securities	610.7	642.6	-31.9	426.5	432.3	- 5.8	92.7	120.9	-28.2	91.5	89.4	+ 2.0
Canadian Securities, Total	410.7	457.1	-46.4	241.8	259.7	-17.9	86.3	116.3	-30.1	82.6	81.1	+ 1.5
Bonds and Debentures	155.7	101.6	+54.1	82.7	40.9	+41.8	38.1	35.7	+ 2.5	34.9	25.1	+ 9.8
Common and Preference Stocks	254.0	354.5	-100.5	158.4	217.9	-59.4	48.0	80.7	-32.7	47.6	56.0	- 8.4
Other Securities	0.9	0.9	-	0.7	0.9	- 0.2	0.1	-	+ 0.1	0.1	-	+ 0.1
Foreign Securities, Total	200.0	185.5	+14.5	184.7	172.6	+12.1	6.4	4.6	+ 1.9	8.9	8.4	+ 0.5
United States Issues:												
Bonds and Debentures	25.5	13.8	+11.7	24.2	13.8	+10.4	1.1	-	+ 1.1	0.2	-	+ 0.1
Common and Preference Stocks	164.2	157.8	+ 6.4	157.6	150.0	+ 7.6	0.5	2.2	- 1.7	6.1	5.7	+ 0.4
United Kingdom Issues:												
Bonds and Debentures	1.0	1.7	- 0.8	0.2	1.6	- 1.5	0.8	0.1	+ 0.8	-	-	-
Common and Preference Stocks	3.6	4.4	- 0.8	0.5	2.3	- 1.8	3.1	1.9	+ 1.2	-	0.2	- 0.2
Other Foreign Countries Issues:												
Bonds and Debentures	3.3	3.9	- 0.6	1.0	2.9	- 1.8	0.9	0.2	+ 0.7	1.4	0.9	+ 0.6
Common and Preference Stocks	2.4	3.8	- 1.4	1.2	2.0	- 0.8	-	0.3	- 0.2	1.1	1.6	- 0.4
All Other Foreign Securities	0.1	-	-	-	-	-	-	-	-	0.1	-	+ 0.1
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	99.5	63.6	+35.9	39.7	19.2	+20.5	35.3	29.6	+ 5.7	24.4	14.7	+ 9.7
Government of Canada - Guaranteed	17.8	10.1	+ 7.7	13.0	7.7	+ 5.3	0.7	1.4	- 0.7	4.1	1.1	+ 3.1
Provincial	12.1	7.7	+ 4.4	9.8	3.5	+ 6.3	0.3	0.6	- 0.4	2.0	3.5	- 1.5
Municipal	2.9	1.8	+ 1.2	2.5	1.3	+ 1.2	0.1	0.1	+ 0.1	0.3	0.4	- 0.1
Railway, not guaranteed by Government	0.7	1.5	- 0.8	0.2	0.6	- 0.4	0.2	0.5	- 0.3	0.3	0.3	-
Other Corporations	22.7	17.0	+ 5.7	17.5	8.6	+ 8.9	1.5	3.4	- 1.9	3.7	5.0	- 1.3
United States Issues:												
Government	17.1	9.4	+ 7.7	16.0	9.4	+ 6.6	1.1	-	+ 1.1	-	-	-
Other	8.4	4.4	+ 4.0	8.2	4.4	+ 3.8	0.1	-	+ 0.1	0.1	-	+ 0.1
United Kingdom Issues:												
Government	0.8	1.7	- 0.9	0.1	1.6	- 1.5	0.7	-	+ 0.6	-	-	-
Other	0.2	-	+ 0.1	-	-	-	0.2	-	+ 0.1	-	-	-

As figures are rounded, totals may not equal sum of component parts.

TABLE 6. Trade in Outstanding 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 ¹						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.-
1961 - Year	552.1	491.3	+ 60.7	439.0	365.1	+ 73.8	732.6	694.2	+ 38.5	554.1	432.5	+121.6
1962 - Year	698.6	635.0	+ 63.5	593.0	509.7	+ 83.3	692.1	807.6	-115.5	543.1	554.7	- 11.6
1963 - 6 months	156.6	102.6	+ 54.1	83.3	41.8	+ 41.5	254.0	354.5	-100.5	158.4	217.9	- 59.4
1962 - January	77.6	71.8	+ 5.7	70.3	64.8	+ 5.6	81.9	78.0	+ 3.9	66.0	56.6	+ 9.4
February	44.5	44.0	+ 0.5	36.2	37.0	- 0.8	78.5	85.3	- 6.8	64.9	63.7	+ 1.2
March	102.6	111.7	- 9.1	95.6	107.0	- 11.4	88.2	92.2	- 4.0	73.4	68.6	+ 4.8
April	76.1	99.5	- 23.4	70.5	74.9	- 4.4	72.6	83.3	- 10.7	60.4	57.8	+ 2.6
May	63.0	45.3	+ 17.7	48.5	31.9	+ 16.6	59.5	74.8	- 15.3	44.1	48.6	- 4.5
June	52.6	43.4	+ 9.2	39.3	24.8	+ 14.5	58.6	78.1	- 19.5	47.8	50.6	- 2.8
July	23.3	20.9	+ 2.4	16.9	10.4	+ 6.5	29.6	45.2	- 15.5	21.4	22.8	- 1.4
August	27.1	10.0	+ 17.2	23.4	5.4	+ 18.0	36.7	41.3	- 4.6	27.0	26.7	+ 0.3
September	70.2	51.2	+ 19.1	63.6	46.1	+ 17.5	47.7	53.0	- 5.3	34.5	38.6	- 4.1
October	65.8	44.3	+ 21.5	58.8	39.1	+ 19.7	56.8	58.7	- 1.9	44.9	40.7	+ 4.2
November	28.6	25.1	+ 3.5	15.9	16.1	- 0.1	36.6	54.6	- 18.0	22.9	35.8	- 13.0
December	67.0	67.8	- 0.8	53.8	52.3	+ 1.5	44.0	56.4	- 12.4	34.4	44.2	- 9.7
Month not identified	-	-	-	-	-	-	1.4	6.7	- 5.3	1.4	-	+ 1.4
1963 - January	27.0	13.0	+ 14.0	16.9	7.3	+ 9.6	42.5	65.5	- 22.9	28.4	42.6	- 14.2
February	22.7	21.0	+ 1.7	14.8	12.3	+ 2.4	38.3	50.0	- 11.7	25.5	29.5	- 4.0
March	17.5	10.1	+ 7.4	11.6	4.5	+ 7.1	42.3	64.3	- 22.0	28.8	40.7	- 11.9
April	24.3	16.2	+ 8.1	16.3	8.1	+ 8.2	43.3	62.2	- 18.9	26.8	39.8	- 12.9
May	41.5	25.1	+ 16.4	13.4	4.6	+ 8.7	49.0	68.0	- 19.0	26.5	38.9	- 12.4
June	23.6	17.1	+ 6.5	10.4	5.0	+ 5.5	38.5	44.5	- 6.0	22.4	26.4	- 4.0
July												
August												
September												
October												
November												
December												
Month not identified												

As figures are rounded, totals may not equal sum of component parts.

¹ Includes also minor amounts of "Other" Canadian securities.

Exchange Rate

Year and Month

[illegible]

Trade in Outstanding Securities - June 1963

Trade in outstanding securities in June led to net purchases of \$4.8 million from residents of the United Kingdom and to net sales of \$4.5 million and \$4.0 million to residents of the United States and other overseas countries. These flows were similar to the pattern in May when, however, the balances were in each case smaller, and the net movement was \$4.4 million.

Contract and Delivery of New Issues of Canadian Bonds and Debentures Sold to Residents of the United States

millions of dollars

Quarter	Sales contracts entered into (+)			Deliveries of prior sales (+)			Sales for later delivery (-)			Proceeds of new issues		
	1961	1962	1963	1961	1962	1963	1961	1962	1963	1961	1962	1963
First	130	133	531	52	9	187	93	109	317	89	33	401
Second	90	78	134	73	116	256	6	-	24	157	194	366
Third	65	355		48	5		13	287		100	73	
Fourth	70	370		24	152		3	154		91	368	
Year	355	936		85	23		3	291		437	668	

Note: For the years 1957 to 1960, see the December 1962 report of this publication. As details of all contracts are not available, deferred deliveries may be understated.

Sales to residents of the United States accounted for somewhat less than 96 per cent of the total proceeds of new issues of Canadian bonds and debentures sold to non-residents during the second quarter. This proportion compared with 98 per cent of the \$409 million of new issues acquired by all non-residents in the first quarter. Parts of the new issues recorded as sales to United States residents are normally resold to residents of other countries.

Outstanding undelivered sales to residents of the United States of new issues of Canadian bonds and debentures fell sharply by \$232 million during the second quarter, and about two-thirds of the capital inflow to Canada from sales arose from contracts in earlier periods. Undelivered sales rose from about \$291 million at the end of 1962 to \$421 million at the end of the first quarter but fell to \$189 million by mid-year. Most of the latter amount represented undelivered portions of issues for which sales contracts were entered into during 1962 or the first quarter of 1963.

Transactions in Government of Canada Treasury Bills Between Canada and Other Countries

millions of dollars

Month	Sales		Repurchases & Maturities		Net change in holdings		Total	Holdings 1963		
	1962	1963	1962	1963	1962	1963		United States	United Kingdom	Other Countries
January	21	26	11	13	+ 10	+ 13	79	52	4	23
February	31	27	20	15	+ 11	+ 12	91	62	5	24
March	28	19	31	35	- 3	- 16	75	46	5	24
April	77	22	28	27	+ 49	- 5	70	47	5	18
May	36	19	18	35	+ 18	- 16	54	33	1	20
June	45	20	62	18	- 17	+ 2	56	38	-	18
July	61		50		+ 11					
August	27		38		- 11					
September	35		38		- 3					
October	19		54		- 35					
November	27		32		- 5					
December	53		74		- 21					

Note: For the years 1959 to 1961, see the December 1961 issue of this report.

Other Non-Resident Participation in Canadian Short-Term Money Markets

millions of dollars

	All countries			United States		
	Sales to	Repurchases & Maturities	Net Sales +	Sales to	Repurchases & Maturities	Net Sales +
Buy-back transactions based on Government of Canada securities having an original term over one year:						
1963 - First quarter	13	14	- 1	13	14	- 1
Second quarter	-	-	-	-	-	-
Third quarter						
Fourth quarter						
Canadian Commercial Paper:						
1963 - First quarter	53	92	- 39	52	91	- 39
Second quarter	28	13	+ 15	26	12	+ 14
Third quarter						
Fourth quarter						
Canadian Finance Paper:						
1963 - First quarter	66	58	+ 8	66	57	+ 9
Second quarter	64	64	-	64	64	-
Third quarter						
Fourth quarter						
Other Finance Company Obligations:*						
1963 - First quarter	10	24	- 14	6	23	- 17
Second quarter	6	2	+ 4	6	-	+ 6
Third quarter						
Fourth quarter						

* Bank loans, inter-company accounts, notes, etc. excluding items shown with security transactions.

Selected Money Market Rates

Month	Yield on 3-month Treasury Bills				Yield per annum on United States dollars 90 day forward*	
	Canada		United States		1962	1963
	Average yield on last weekly tender		Opening quotation same date			
	1962	1963	1962	1963		
January	3.10	3.65	2.68	2.90	0.24	0.87
February	3.17	3.68	2.71	2.88	0.24	0.81
March	3.12	3.62	2.71	2.90	-	0.70
April	3.07	3.66	2.72	2.87	0.19	0.17
May	3.52	3.19	2.66	2.97	0.23	-
June	5.45	3.24	2.80	2.97	1.85	- 0.06
July	5.47		2.88		2.09	
August	4.95		2.78		2.09	
September	4.99		2.74		1.97	
October	4.27		2.72		1.16	
November	3.71		2.85		0.58	
December	3.91		2.84		0.58	

* Based on noon forward quotation supplied by the Bank of Canada.

During the second quarter of the year residents of the United Kingdom eliminated their holdings of Government of Canada Treasury Bills while other non-residents reduced their holdings by \$14 million leaving a total of \$56 million held abroad. Holdings by non-residents of Canadian Treasury Bills reached a month-end peak of \$163 million in April 1961. At their present level they are only about \$13 million above the lowest figure recorded since the series was established in 1959.

Other money market instruments attracted a net capital inflow of about \$19 million in the second quarter, provided overwhelmingly by corporations and other residents of the United States. These transactions gave rise to a net capital outflow of about \$45 million in the first quarter.

Yields on three months government Treasury Bills in Canada and in the United States are shown in a table. They reflect the marked narrowing of the interest differential between these obligations in the two countries.

Trade in Outstanding Canadian Securities Between Canada and All Countries

	1962 ^P				1963 ^P	
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter
	millions of dollars					
Bonds and debentures:						
Government of Canada, direct	+ 1	+ 1	+ 36	+ 16	+ 18	+ 18
Government of Canada, guaranteed	+ 1	- 5	+ 1	- 1	+ 2	+ 6
Provincial government (incl. guaranteed) ..	- 1	+ 2	+ 4	+ 4	+ 3	+ 1
Municipal	+ 1	+ 3	-	+ 7	+ 1	-
Railways, not guaranteed by government	- 1	- 1	-	- 1	- 1	-
Other corporations	- 4	+ 4	- 2	- 1	-	+ 6
Sub-totals, Bonds and debentures	- 3	+ 4	+ 39	+ 24	+ 23	+ 31
Common and preference stock	- 14	- 44	- 26	- 32	- 57	- 44
Totals	- 17	- 40	+ 13	- 8	- 34	- 13

Proceeds of New Issues of Canadian Securities sold to Non-Residents

Bonds and debentures:						
Government of Canada, direct	4	1	12	139	140	14
Government of Canada, guaranteed	-	-	-	-	-	-
Provincial government (incl. guaranteed) ..	12	6	13	111	197	88
Municipal government	5	4	29	40	33	16
Railways, not guaranteed by government	-	-	-	-	-	-
Other corporations	22	187*	25	84	39	265
Sub-totals, Bonds and debentures	43	198*	79	374	409	383
Common and preference stock	4	3	2	7	3	7
Totals	47	201*	81	381	412	390

Retirements of Canadian Securities held by Non-Residents

Bonds and debentures:						
Government of Canada, direct	4	17	11	40	5	37
Government of Canada, guaranteed	15	-	-	-	2	-
Provincial government (incl. guaranteed) ..	6	13	1	2	7	28
Municipal government	7	10	6	16	7	7
Railways, not guaranteed by government	4	3	3	2	3	-
Other corporations	31	26	27	43	25	42
Sub-totals, Bonds and debentures	67	69	48	103	49	114
Common and preference stock	7	2	6	20	4	63
Totals	74	71	54	123	53	177

* Includes 125 applied to the refinancing of external liabilities in other forms.

^P Preliminary figures.

Statistics on pages 2 to 7 of this bulletin cover transactions in outstanding securities reported by investment firms, stock exchanges, and other security dealers in Canada except security transactions of a short-term character analogous to changes in bank balances. Sales of new issues and retirements of called or matured Canadian securities appear above. More complete statistics of capital movements will be found in the annual and quarterly reports on The Canadian Balance of International Payments.

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