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DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH

PROBLEMS OF THE
WORLD

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Vol. 3.

No. 10.

Sales and Purchases of Securities Between Canada
and Other Countries.

October, 1937

The most pronounced change in the direction of the international trade in securities in October was reflected by the development of net purchases by Canada of over \$5 million. This was the result of a contraction in sales and an expansion in purchases. The growth of purchases was principally in the purchases from the United States and the balance of Canadian purchases from that country was greater than in any month since April, while net sales to the United Kingdom and other countries declined.

Most of the increased purchases from the United States were purchases of United States stocks, the net purchases of these being almost \$4 million. Canadian purchases of Canadian stocks from the United States also exceeded sales. The sales of Canadian stocks to the United Kingdom were lower than in the previous month and were mostly offset by purchases.

Most of the trade in bonds was between Canada and the United States. Dominion issues and issues guaranteed by the Dominion continued to be the groups in which sales exceeded purchases while there were small net purchases of all the other classes of Canadian bonds.

During the first ten months of the year the transactions totalled \$880 million compared with about \$600 million and \$434 million respectively in the corresponding period in 1936 and 1935. During this part of 1937 the balance of purchases from all countries was about \$10 million. Net purchases from the United States were almost \$46 million but offsetting these were net sales of about \$24 million to the United Kingdom and \$11 million to other countries.

The following changes are indicated in tables 4, 5 and 6. United States funds in Montreal remained close to par while the premium on sterling, 1.80%, was also about the same as in the previous month. The prices of the United Kingdom and United States issues shown were slightly higher but there were reductions in the prices of the two Canadian issues. The index numbers of common stock prices again fell sharply as the deflation of stock values continued. The Canadian index dropped 13 points and the United States index fell 15 points in October compared with declines of around 16 and 14 points respectively in September.

The International security transactions shown in this bulletin were carried on through the medium of the investment dealers, stock exchanges, banks, United States branch houses and other agencies in Canada. The sale of new issues of Canadian securities to syndicate members resident outside of Canada are not included in these figures, such as the new issues of \$85,000,000 Dominion of Canada bonds sold in January, 1937, to a syndicate in New York and the \$3,250,000 Province of New Brunswick bonds sold privately in the United States in August. The redemption of called or matured Canadian securities abroad and of British and foreign securities owned in Canada are not included among the transactions recorded.

Price: \$1.00 per year

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Month	Sales to United States			Purchases from United States		
	1935	1936	1937	1935	1936	1937
January	16,001,506	43,260,642	42,881,080	25,084,678	25,974,654	54,739,139
February.....	14,691,217	36,260,759	49,310,107	11,969,013	28,329,794	45,650,662
March.....	27,046,720	24,403,261	48,558,262	12,050,506	20,041,317	50,610,253
April.....	22,854,736	16,855,198	39,135,489	15,955,444	15,371,360	52,262,574
May.....	22,057,755	12,075,199	20,111,563	10,976,937	15,246,883	24,309,193
June.....	16,359,575	17,317,821	18,566,071	8,499,061	19,240,228	22,536,053
July.....	18,120,727	18,811,327	18,026,252	10,513,211	25,417,735	20,865,276
August.....	23,057,940	21,530,362	27,127,502	25,526,842	29,555,781	27,675,195
September.....	21,748,633	24,080,465	24,220,743	15,831,450	27,351,749	27,796,020
October (x)....	28,416,408	25,829,499	27,028,044	25,573,669	42,800,529	34,097,818
Total, 10 (x)						
months	210,535,219	242,422,533	34,765,113	157,920,811	262,329,830	360,542,163

II

Month	Sales to United Kingdom			Purchases from United Kingdom		
	1935	1936	1937	1935	1936	1937
January.....	4,263,321	11,112,761	12,984,542	2,460,766	3,092,797	8,783,183
February.....	1,560,990	5,995,537	16,510,801	2,817,360	3,540,208	9,347,580
March.....	1,820,261	4,136,831	15,132,057	5,588,692	4,554,205	10,516,839
April.....	1,085,282	2,685,742	11,085,110	5,587,252	3,553,340	10,563,904
May.....	1,362,195	4,446,213	5,584,994	2,929,576	5,721,795	3,887,124
June.....	1,426,544	2,474,325	6,277,043	1,834,231	2,474,113	5,760,525
July.....	2,691,479	1,869,735	6,387,314	2,481,793	3,492,336	7,471,971
August.....	2,204,573	1,573,986	5,706,900	2,333,535	2,648,315	6,090,435
September.....	2,816,503	5,331,130	11,397,782	5,225,269	6,175,718	5,942,375
October (x)....	3,056,239	10,886,018	7,098,631	5,646,187	6,170,885	5,963,052
Total, 10 (x)						
months	22,287,387	70,510,276	98,163,174	36,902,641	41,223,712	74,326,988

III

Month	Sales to Other Countries			Purchases from Other Countries		
	1935	1936	1937	1935	1936	1937
January.....	210,842	155,958	3,283,360	263,481	485,588	1,529,031
February.....	182,902	264,844	3,341,683	491,935	173,778	1,213,627
March.....	145,869	647,802	2,960,691	1,676,265	349,362	1,669,642
April.....	238,226	699,177	2,725,951	452,857	961,034	1,760,174
May.....	339,835	471,946	1,126,186	414,054	731,932	671,465
June.....	284,556	567,495	1,734,654	183,075	781,820	664,543
July.....	261,852	1,034,339	1,679,400	208,540	313,160	697,899
August.....	136,460	771,771	1,741,559	175,066	439,917	725,602
September.....	99,498	1,070,718	1,452,051	575,276	684,826	549,448
October (x)....	245,957	2,167,123	1,661,208	596,388	1,398,654	1,070,108
Total, 10						
months (x)	2,145,977	7,801,151	21,684,723	5,036,935	6,320,071	10,551,537

IV

Month	Sales to All Countries			Purchases from All Countries		
	1935	1936	1937	1935	1936	1937
January.....	20,475,671	56,529,541	59,148,982	25,768,925	32,555,059	65,051,353
February.....	16,435,109	42,519,140	69,162,591	15,278,308	52,043,780	56,211,869
March.....	29,012,850	29,187,894	66,451,010	19,313,461	24,944,884	62,796,714
April.....	24,158,244	20,238,117	52,942,550	19,975,533	19,685,754	64,586,652
May.....	23,759,785	16,993,358	26,822,743	14,320,567	21,700,610	28,867,780
June.....	18,070,675	20,359,637	26,577,748	10,516,367	22,496,161	28,961,121
July.....	21,074,058	21,715,401	26,092,966	13,203,544	29,223,231	29,035,146
August.....	25,398,973	23,876,119	34,575,961	28,035,443	34,644,013	34,491,232
September.....	24,664,634	30,482,313	37,050,576	21,631,995	34,212,293	34,287,843
October (x)....	31,718,584	38,882,640	35,787,883	31,816,244	50,369,868	41,130,978
Total, 10 (x)...	254,768,583	300,813,960	434,613,010	199,860,387	299,875,613	445,420,688

(x) Subject to revision.

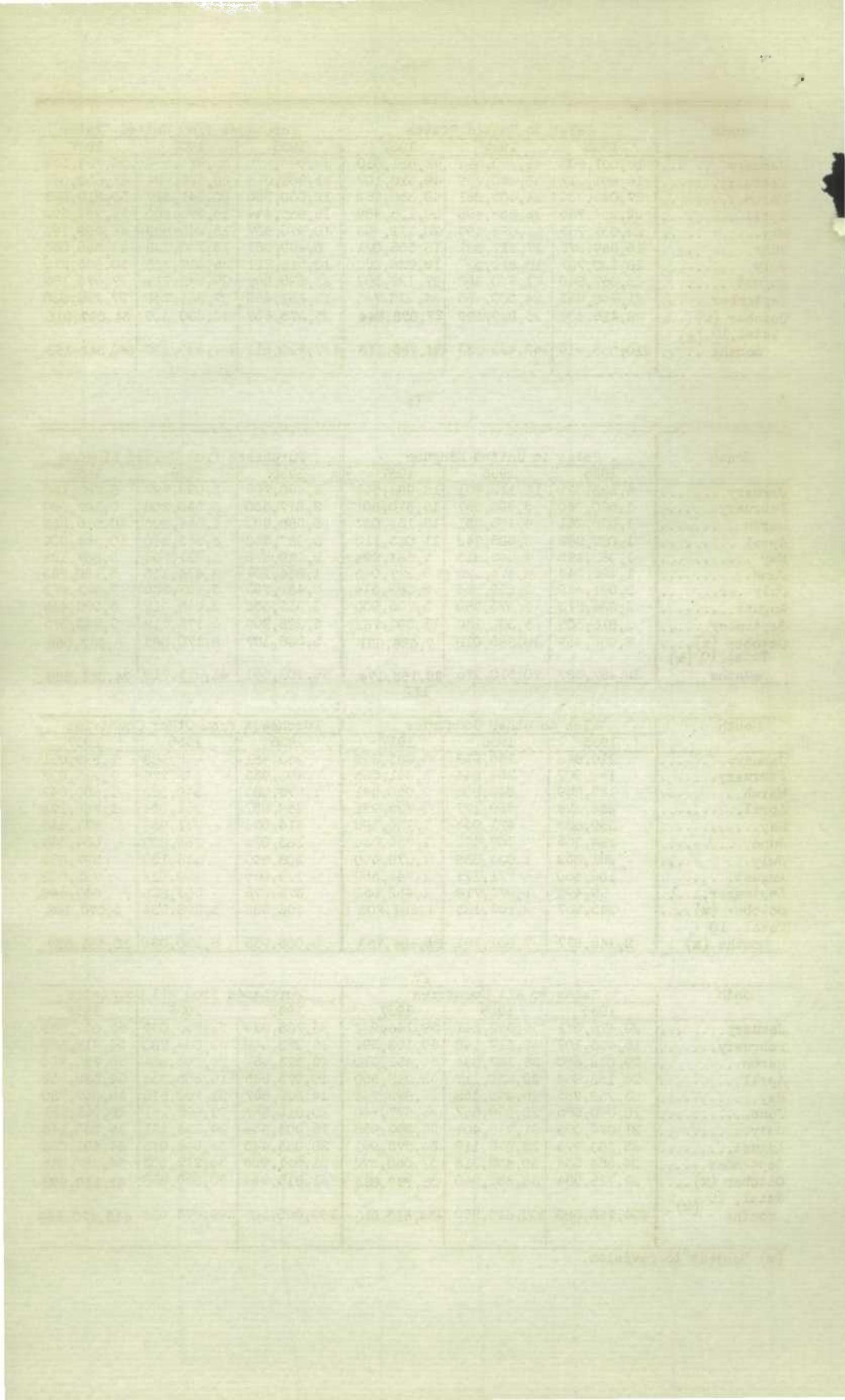


Table 2.

Analysis of Trade in Securities Between Canada and Other Countries
October, 1937

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
	\$	\$	Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Bonds and Debentures, Total.....	8,734,177	9,446,861	6,603,244	8,042,593	1,656,327	1,069,233	474,606	335,035
Canadian New issues.....	499,194	-	-	-	499,194	-	-	-
Canadian outstanding issues--								
Dominion.....	2,837,847	1,707,026	2,437,931	1,580,249	152,908	24,640	247,008	102,137
Provincial.....	307,371	502,504	307,371	482,385	-	10,301	-	9,818
Municipal.....	104,992	403,928	69,984	327,262	35,008	68,397	-	8,269
Guaranteed by the Dominion.....	451,615	407,806	398,707	326,796	51,771	75,410	1,137	5,600
Railway, Other.....	417,786	567,718	404,386	460,478	-	92,090	13,400	15,150
Other Corporations.....	2,046,945	2,353,921	1,058,284	1,492,986	828,462	669,748	160,199	191,187
United States new issues --								
Government.....	-	-	-	-	-	-	-	-
Other.....	-	73,403	-	73,403	-	-	-	-
United States outstanding issues--								
Government.....	5,145	18,223	5,145	18,223	-	-	-	-
Other.....	501,861	583,607	453,724	571,649	8,475	11,685	39,662	273
United Kingdom new issues--								
Government.....	-	-	-	-	-	-	-	-
Other.....	-	23,800	-	23,800	-	-	-	-
United Kingdom outstanding issues--								
Government.....	5,594	5,410	-	5,410	5,594	-	-	-
Other.....	9,782	-	-	-	9,782	-	-	-
Other Countries new issues	-	-	-	-	-	-	-	-
Other Countries outstanding issues.....	365,351	692,706	360,802	683,141	4,049	9,041	500	524
Unspecified Bonds and debentures.....	1,180,694	2,106,809	1,106,910	1,996,811	61,084	107,921	12,700	2,077
Common and Preference Stocks								
Canadian.....	12,485,778	13,843,419	6,472,950	8,260,673	4,868,775	4,853,286	1,144,053	729,460
United States.....	14,000,264	17,804,576	13,930,695	17,783,436	38,270	15,527	31,299	5,613
United Kingdom.....	22,770	14,506	-	-	22,770	14,506	-	-
Other Countries.....	20,864	20,584	20,855	10,084	9	10,500	-	-
Short-Term Securities (one year or less).....	512,480	-	-	-	512,480	-	-	-
Other Securities--								
Canadian.....	-	-	-	-	-	-	-	-
United States.....	300	1,032	300	1,032	-	-	-	-
United Kingdom.....	-	-	-	-	-	-	-	-
Other Countries.....	11,250	-	-	-	-	-	11,250	-
GRAND TOTAL OF SALES AND PURCHASES	35,787,883	41,130,978	27,028,044	34,097,818	7,098,631	5,963,052	1,661,208	1,070,108

Table 3

Purchase and Sale of Securities Between Canada and Other Countries, by Nationality
and Class of Security, October, 1937
(Summary Table)

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
	\$	\$	Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Canadian Securities, Total.....	19,151,528	19,786,322	11,149,613	12,930,829	6,436,118	5,793,872	1,565,797	1,061,621
Bonds and Debentures.....	6,665,750	5,942,903	4,676,663	4,670,156	1,567,343	940,586	421,744	332,161
Common and Preference Stocks.....	12,485,778	13,843,419	6,472,950	8,260,673	4,868,775	4,853,286	1,144,053	729,460
Other Securities	-	-	-	-	-	-	-	-
United States Securities, Total.....	14,507,570	18,480,841	14,389,864	18,447,743	46,745	27,212	70,961	5,886
Bonds and Debentures.....	507,006	675,233	458,869	663,275	8,475	11,685	39,662	273
Common and Preference Stocks	14,000,264	17,804,576	13,930,695	17,783,436	38,270	15,527	31,299	5,613
Other Securities.....	300	1,032	300	1,032	-	-	-	-
United Kingdom Securities, Total.....	38,146	43,716	-	29,210	38,146	14,506	-	-
Bonds and Debentures	15,376	29,210	-	29,210	15,376	-	-	-
Common and Preference Stocks.....	22,770	14,506	-	-	22,770	14,506	-	-
Other Securities.....	-	-	-	-	-	-	-	-
Other Countries Securities, Total.....	397,465	713,290	381,657	693,225	4,058	19,541	11,750	524
Bonds and Debentures.....	365,351	692,706	360,802	683,141	4,049	9,041	500	524
Common and Preference Stocks.....	20,864	20,584	20,855	10,084	9	10,500	-	-
Other Securities.....	11,250	-	-	-	-	-	11,250	-
Short-Term Securities (one year or less)....	512,480	-	-	-	512,480	-	-	-
Unspecified Bonds and Debentures.....	1,180,694	2,106,809	1,106,910	1,996,811	61,084	107,921	12,700	2,077
GRAND TOTAL	35,787,883	41,130,978	27,028,044	34,097,818	7,098,631	5,963,052	1,661,208	1,070,108

Camp miles

The camp miles were the first to be recorded. They were recorded in boxes, one for each day, and the same day's miles were recorded in the same box. The miles were recorded in boxes, one for each day, and the same day's miles were recorded in the same box.

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Table 4.

- 5 -

Monthly Average of Daily Quotations and Premiums
or Discounts for New York Funds and Sterling
Montreal, 1935-1937

Month	1935		1936		1937	
	New York Funds at Montreal	Premium + Discount - %	New York Funds at Montreal	Premium + Discount - %	New York Funds at Montreal	Premium + Discount - %
January9986	-0.14	1.0005	+0.05	1.0003	+0.03
February ..	1.0013	+0.13	.9986	-0.14	1.0002	+0.02
March	1.0097	+0.97	1.0013	+0.13	.9995	-0.05
April	1.0049	+0.49	1.0047	+0.47	.9987	-0.13
May	1.0015	+0.15	1.0018	+0.18	.9984	-0.16
June	1.0014	+0.14	1.0026	+0.26	1.0005	+0.05
July	1.0022	+0.22	1.0008	+0.08	1.0013	+0.13
August	1.0027	+0.27	1.0001	+0.01	1.0001	+0.01
September .	1.0080	+0.80	.9997	-0.03	1.0000	- -
October ...	1.0141	+1.41	.9997	-0.03	.9997	-0.03
November ..	1.0105	+1.05	.9986	-0.14		
December ..	1.0093	+0.93	.9993	-0.07		
Year	1.0054	+0.54	1.0006	+0.06		

Month	1935		1936		1937	
	Sterling at Montreal	Premium + Discount - %	Sterling at Montreal	Premium + Discount - %	Sterling at Montreal	Premium + Discount - %
January ...	4.8870	+0.43	4.9657	+2.03	4.9092	+0.87
February ..	4.8833	+0.36	4.9940	+2.62	4.8953	+0.59
March	4.8247	-0.85	4.9783	+2.29	4.8824	+0.32
April	4.8622	-0.08	4.9673	+2.07	4.9095	+0.88
May	4.8958	+0.61	4.9798	+2.32	4.9313	+1.33
June	4.9426	+1.57	5.0328	+3.41	4.9380	+1.47
July	4.9674	+2.08	5.0269	+3.29	4.9736	+2.20
August	4.9850	+2.45	5.0265	+3.28	4.9826	+2.38
September .	4.9701	+2.14	5.0390	+3.54	4.9532	+1.78
October ...	4.9778	+2.28	4.8972	+0.63	4.9542	+1.80
November ..	4.9776	+2.28	4.8817	+0.31		
December ..	4.9755	+2.24	4.9042	+0.77		
Year	4.9293	+1.29	4.9749	+2.22		

Table 5.

Bid Price and Yield for Domestic Government Bonds in Canada, United Kingdom and United States

Date	United Kingdom		United States		Dominion of Canada	
	3½% War Loan Callable Dec. 1, 1952, or after		3% of Sept. 15, 1955, callable on or after Sept. 15, 1951.		4% of Nov. 1, 1958, callable on or after Nov. 1, 1948	
	Price	Yield	Price	Yield	Price	Yield
1934						
January 17.....	100.79	3.44	96.00	3.26	99.00	4.57
February 14....	101.27	3.41	97.18	3.18	99.75	4.52
March 14.....	102.48	3.32	98.29	3.11	103.00	4.22
April 18.....	103.15	3.27	99.24	3.05	104.50	4.09
May 16.....	102.90	3.29	100.25	2.98	105.15	4.03
June 13.....	102.25	3.34	101.00	2.93	105.00	4.04
July 18.....	105.66	3.25	102.10	2.84	105.85	3.96
August 14.....	103.78	3.22	100.12	2.99	106.85	3.87
September 12...	103.88	3.22	98.18	3.12	107.25	3.83
October 17.....	104.42	3.18	100.50	2.96	106.00	3.94
November 14....	107.66	2.95	99.26	3.05	107.00	3.85
December 12....	107.13	2.98	100.15	2.99	110.75	3.51
1935						
January 16.....	108.67	2.88	102.50	2.81	110.25	3.55
February 13....	105.78	3.08	103.00	2.77	108.00	3.74
March 13.....	105.76	3.08	102.25	2.83	108.85	3.67
April 17.....	106.55	3.02	103.19	2.76	109.25	3.63
May 15.....	106.79	3.00	103.28	2.75	109.85	3.57
June 12.....	105.15	3.12	103.24	2.75	108.75	3.66
July 17.....	106.30	3.03	104.40	2.66	109.00	3.64
August 14.....	106.03	3.05	103.17	2.76	110.00	3.54
September 18...	102.70	3.29	101.30	2.88	104.25	4.08
October 16.....	102.68	3.29	102.59	2.80	107.25	3.79
November 13....	105.17	3.11	102.59	2.80	107.75	3.74
December 18....	105.82	3.06	102.41	2.81	107.13	3.79
1936						
January 15.....	105.63	3.07	103.06	2.76	107.63	3.74
February 19....	106.35	3.07	103.56	2.72	109.60	3.55
March 18.....	105.20	3.10	103.91	2.69	109.75	3.54
April 15.....	106.25	3.02	104.19	2.66	110.15	3.50
May 13.....	106.57	3.01	104.47	2.64	110.50	3.46
June 17.....	105.46	3.07	104.34	2.65	112.00	3.31
July 15.....	105.81	3.04	104.56	2.63	112.48	3.26
August 12.....	105.86	3.04	104.72	2.62	113.63	3.15
September 16...	106.34	3.00	105.13	2.59	113.88	3.12
October 14.....	106.95	2.95	104.97	2.60	111.63	3.32
November 12....	106.73	2.97	105.94	2.52	112.00	3.28
December 16....	105.73	3.04	106.28	2.49	112.75	3.20
1937						
January 13.....	105.02	3.10	106.53	2.47	112.38	3.23
February 17....	101.05	3.41	106.58	2.48	109.50	3.50
March 17.....	100.78	3.43	104.81	2.60	107.25	3.73
April 14.....	101.64	3.36	102.44	2.79	107.88	3.66
May 13.....	102.29	3.31	102.09	2.82	108.50	3.59
June 16.....	100.79	3.44	102.47	2.79	109.75	3.45
July 14.....	99.96	3.50	102.97	2.74	109.75	3.45
August 18.....	99.30	3.52	103.16	2.73	110.50	3.57
September 15...	99.35	3.52	102.44	2.79	110.50	3.36
October	100.21	3.48	102.53	2.78	109.63	3.44

x All prices are quoted on an "and interest" basis. The price of the United Kingdom War Loan has been adjusted from the "flat" basis on which it is quoted in London.

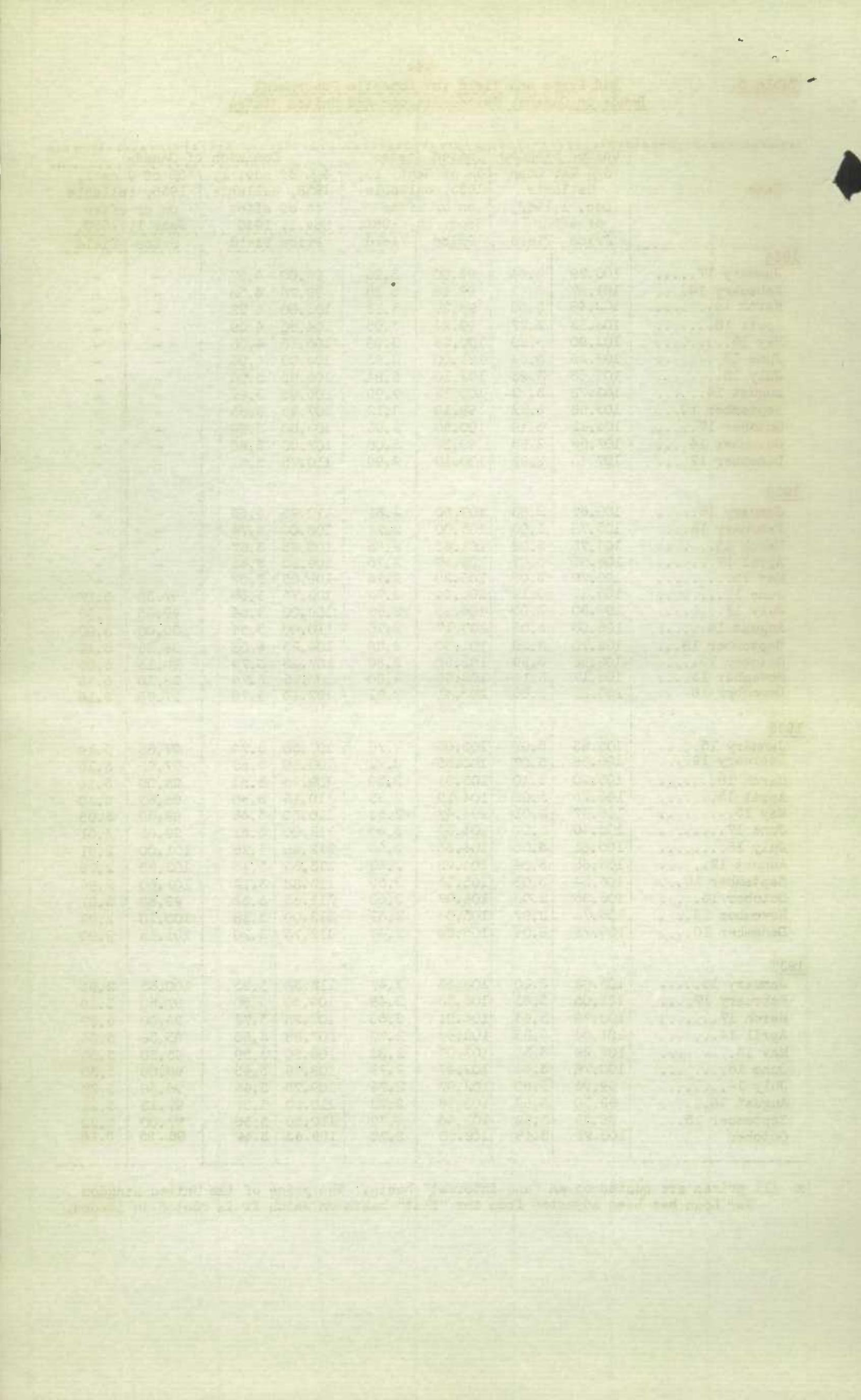


Table 6.

Index Numbers of Common Stocks Prices in Canada,
United Kingdom and United States, 1935 - 1937
(1926 =100)

Month	Canada (96) (Dominion Bureau of Statistics)	England (92) (London and Cambridge Economic Service)x	United States (419) (Standard Statistics Co., Inc.)
<u>1935</u>			
January	88.6	119.2	69.7
February.....	87.8	115.7	67.8
March.....	84.4	113.1	63.9
April.....	86.4	113.9	67.5
May.....	93.6	119.2	73.1
June.....	93.8	122.6	76.0
July.....	92.4	122.6	79.4
August.....	94.7	128.8	83.3
September.....	93.6	122.6	85.0
October.....	96.1	120.9	86.1
November.....	105.8	129.6	94.2
December.....	107.4	127.9	95.7
<u>1936</u>			
January.....	112.9	134.0	101.7
February.....	120.7	138.3	106.7
March.....	117.4	134.8	108.7
April.....	115.9	139.2	108.9
May.....	112.8	134.0	101.0
June.....	113.8	134.0	105.6
July.....	114.3	136.6	109.2
August.....	114.7	143.5	113.0
September.....	119.5	144.4	114.1
October.....	126.9	147.9	118.7
November.....	131.8	147.0	124.2
December.....	129.2	145.2	122.8
<u>1937</u>			
January.....	137.4	147.0	126.0
February.....	142.4	143.5	129.5
March.....	147.2	135.7	129.9
April.....	136.2	135.7	124.5
May.....	132.2	134.0	116.3
June.....	129.4	128.8	113.6
July.....	133.0	130.5	117.8
August.....	135.2	132.5	120.5
September.....	118.9	127.0	106.4
October.....	105.8	120.9	91.4

x London and Cambridge Economic Service indexes have been converted from their original base to a 1926 base so as to render easier comparison with other series.

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