

Sales and Furchases of Securities Between Canada and Other Countries<br>April. 1937

In April the international trade in securities only declined slightly in volume while the direction of the trade changed very definitely. Although total sales to other countries dropped sharply from $\$ 66$ million in March to about $\$ 53 \mathrm{million}$ in April there was actually a small increase in purchases. As a consequence there were net purchases of over $\$ 11 \frac{i}{2}$ million as contrasted with net salos during the two preceding months. This was the net offect of a decline in the net sales to tho United Kingdom and an increase in the net purchases from the United States over those in the previous month.

Canadian and United States securities continued to constitute the major part of the trade. Canadian securities wore about 47 per cent of tho total seles and 50 per cent of the total purchases during the month. Unitod States socuritics wore 46 por cont of the total sales and 45 per cent of the total purchases.

The not purchases of Canfdian socuritios accountod for over $\$ 7 \frac{1}{2}$ million of tho $\$ 11 \frac{1}{2}$ million net purchases and almost $\$ 4$ million of theso were net purchases of Canadian bonds distributod among provincial, municipal and corporation bonds, the romaindor baing purchases of Canadian common and proference stocks.

The trade with the United States was particularly affoctod by the drop in salos alroady roferred to. This decline took place in the salus of Canadian bonds and stocks and Unitod States stocks. Canadian purchasos of Canadian sccuritios from tho United States wero well maintained although thero was a declino in the purchasos of United States stocks but bocause of tho largo Canadian purchases of Unitod States bonds there wero net purchases of United States securitios during tho month.

There was very little variation in tho purchases from the United Kingdom. Although the total salos to the Unitod Kingdom were reducad a large part of this roduction was in the sales of United Kingdom socuritios. Tha racord of the trado with countries othar than the United Statas and the Unitod Kingdom did not reveal any significant changos from the previous month.

The supplomontary tables show the following changes during the month. The discount on Unitod States funds at Montreal increased while the promium on storling at Montreal also bocame larger. The indox numbors of common stock prices in Canada and the United States both rogistored the most pronounced decline of recent months but the indox of stock prices in England remainod at the rocent low point reachod in March. The prices of the bonds of the United Kingdom and the Dominion of Canade which aro shown, incroased slightly but the price of the United States bond continued to docline.

The intornational security transactions shown in this bullotin woro carried on through tho modium of the investment dealers, stock oxchenges, banks, Unitod States branch housas and othor agoncics in Canada. The sale of new issuos of Canadian socuritios to syndicate members resident outside of Canada aro not includod in these figures, such as tho now iesues of $\$ 85,000,000$ Dominion of Canada bonds sold in January, 1937, to a syndicato in Now York. The rodemption of callod or maturod Canadian socuritios abroad and of British and foroign socuritios ownod in Canada aro not includod among tho transactions rocorded.

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I

| Month | Salos to United Statos |  |  | Purchases from Unitod States |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1935 | 1936 | 1937 | 1935 | 1936 | 1937 |
| January ......... | 16,001,508 | 45,260,642 | 42,881,080 | 23,044,678 | 28,974,654 | 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 | $24,403, .51$ | 48,358,262 | 12,050,506 | 20,041,317 | 50,610,233 |
| April ${ }^{\mathrm{x}} \ldots \ldots .$. | 22,834,736 | 16,853,198 | 39,135,489 | 13,935,444 | 15,371,360 | 52,262,574 |
| Total, 4 months ${ }^{\text {X }}$ | 80,574,181 | 122,777,860 | 179,684,938 | 60,999,641 | 92,717,125 | 203,262,502 |


| Month | Salos to Ereat Britain |  |  | Purchases from Great Britain |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 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 |
| Fobruary . | 1,560,990 | 5,993,537 | 16,510,801 | 2,817,360 | 3,540,208 | 9,347,580 |
| March ${ }^{\text {........... }}$ | 1,820,261 | 4,136,831 | 15,132,057 | 5,586,692 | 4,554,205 | $10,516,839$ |
| April ${ }^{\text {x }}$......... | 1,085,282 | 2,685,742 | 11,083,110 | 5,587,232 | 3,353,340 | $10,563,904$ |
| Total, 4 months ${ }^{\text {x }}$ | 8,729,854 | 23,928,971 | 55,710,510 | $16,452,050$ | 14,540,550 | 139,211,506 |

III

| Month | Sales to Othor Countries |  |  | Purchases from Other Countries |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1935 | 1936 | 1937 | 1935 | 1936 | 1937 |
| January ......... | 210,842 | 155,938 | 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 $\times$.......... | 145,869 | 647,802 | 2,960,691 | 1,676,263 | 349,362 | 1,669,642 |
| April ${ }^{\text {x }}$........... | 238,226 | 699,177 | 2,723,951 | 452,857 | 961,034 | 1,760,174 |
| Total, 4 months X | 777,839 | 1.767,761 | 12,309,685 | 2,884,536 | 1,969,762 | 6,172,474 |

IV

| Month | Salos to All Countries |  |  | Purchases from All Countries |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1935 | 1936 | 2937 | 1935 | 1936 | 1937 |
| January ......... | 20,475,671 | 56,529,341 | 59,148,982 | 25,768,925 | 32,553,039 | 65,051,353 |
| February ........ | 16,435,109 | 42,519,140 | 69,162,591 | 15,278,308 | 32,043,780 | 56,211,869 |
| March $x$. | 29,012,850 | 29,187,804 | 66,451,010 | 19,313,461 | 24,944,884 | 62,796,714 |
| April ${ }^{\text {® }}$......... | 24,158,244 | 20,238,117 | 52,942,500 | 19,975,533 | 19,685,734 | 64,586,652 |
| Total, 4 months ${ }^{\text {x }}$ | 90,081,874 | 148,474,492 | 247,705,083 | 80,336,227 | 109,227,437 | 248,646,588 |

[^0]
(Summary Table)


## Table 4.

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 | $\begin{gathered} \text { Premium + } \\ \text { Discount } \\ \% \end{gathered}$ | New York Funds at Montreal | $\begin{gathered} \text { Premium }+ \\ \text { Discount } \\ \% \end{gathered}$ | New York Funds at Montreal | $\begin{aligned} & \text { Premium + } \\ & \text { Discount } \end{aligned}$ |
| January | . 9986 | -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 | . 9986 | -0.14 |
| May | 1.0015 | +0.15 | 1.0018 | +0.18 |  |  |
| June | 1.0014 | +0.14 | 1.0026 | +0.26 |  |  |
| July | 1.0022 | +0.22 | 1.0008 | +0.08 |  |  |
| August | 1.0027 | +0.27 | 1.0001 | +0.01 |  |  |
| September | 1.0080 | +0.80 | . 9997 | -0.03 |  |  |
| October | 1.0141 | +1.41 | . 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 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{array}{\|c} \hline \text { Sterling } \\ \text { at } \\ \text { Montreal } \end{array}$ | $\begin{aligned} & \text { Premium }+ \\ & \text { Discount } \\ & \% \end{aligned}$ | $\begin{array}{\|c} \text { Sterling } \\ \text { at } \\ \text { Montreal } \end{array}$ | $\begin{gathered} \text { Premium + } \\ \text { Discount } \\ \% \end{gathered}$ | $\begin{gathered} \text { Sterling } \\ \text { at } \\ \text { Montreal } \end{gathered}$ | $\begin{gathered} \text { Premium }{ }^{+} \\ \text {Discount } \\ \% \end{gathered}$ |
| 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 |  |  |
| June | 4.9426 | +1.57 | 5.0328 | +3.41 |  |  |
| July | 4.9674 | +2.08 | 5.0269 | +3.29 |  |  |
| August | 4.9850 | +2.45 | 5.0265 | +3.28 |  |  |
| September | 4.9701 | +2.14 | 5.0390 | +3.54 |  |  |
| October. | 4.9778 | +2.28 | 4.8972 | +0.63 |  |  |
| 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 |  |  | Bid Price erd Yield for Domestic Government Bonds in Canacie, United Kingdom and United States


| Date | United Kiıgdom |  | United States |  | Dominion of Canada |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | ```3\frac{1}{2}% War Loan Callable Dec.1, 1952, or afterX``` |  | $\begin{aligned} & 3 \% \text { of sept.15, } \\ & \text { h95, callable } \\ & \text { on or after } \\ & \text { Sept. } 15,1951 . \end{aligned}$ |  |  |  |  |  |
|  | Price | Yiela | Price | Yield | Price | Yield | Price | Yield |
| 1934 |  |  |  |  |  |  |  |  |
| January 1 ? | 200.79 | 3.44 | 96.00 | 3.26 | 99.00 | 4.57 |  |  |
| Tebruary 14 | 101.27 | 3.41 | 97.18 | 3.18 | 99.75 | 4.52 | $\cdots$ | - |
| 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 | 4.08 | $\square$ |  |
| Muy 16 | 102.90 | 3.29 | 100.23 | 2.98 | 105.15 | 4.03 | - |  |
| June $13 \ldots$ | 102.25 | 3.34 | 101.00 | 2.93 | 105.00 | 4.04 | - | $\cdots$ |
| Juiy $18 . . .$. | 103.66 | 3.23 | 102.10 | 2.84 | 105.85 | 3.86 | - |  |
| 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 | 20.0! | 2. 39 | 102,50 | 2.3. | 11208 | 3.55 |  | - |
| February 13 | 105.78 | 3,08 | 103.00 | 2.77 | 108.00 | 3.74 |  |  |
| March 15. | 105.76 | 3.08 | 102.23 | 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 | 105.13 | 3.12 | 103.24 | 2.75 | 108.75 | 3.66 | 97.50 | 3.17 |
| July 17 | 106.30 | 3.03 | 104.40 | 2.66 | 109.00 | 3.64 | 99.05 | 3.06 |
| August 14 | 106.03 | 3.05 | 103.17 | 2.76 | 110.00 | 3.54 | 100.00 | 3.00 |
| September 18 | 102.70 | 3.29 | 101.30 | 2.88 | 104.25 | 4.08 | 98.25 | 3.12 |
| October 16 | 1102.68 | 3.29 | 102.59 | 2.80 | 107.25 | 3.79 | 99.13 | 3.06 |
| November 13. | 105.17 | 3.11 | 102.59 | 2.80 | 107.75 | 3.74 | 98.10 | 3.13 |
| December 18. | 105.82 | 3.06 | 102.41 | 2.81 | 107.13 | 3.76 | 97.75 | 3.16 |
| $1936$ |  |  |  |  |  |  |  |  |
| January 15 | 105.63 | 3.07 | 103.06 | 2.76 | 107.63 | 3.74 | 97.88 | 3.14 |
| February 19 | 106.35 | 3.07 | 103.56 | 2.72 | 109.60 | 3.55 | 97.75 | 3.16 |
| March 18 | 105.20 | 3.10 | 103.91 | 2.69 | 109.75 | 3.54 | 98.00 | 3.14 |
| April 15 | 106.25 | 3.02 | 104.19 | 2.66 | 110.13 | 3.50 | 98.63 | 3.10 |
| May 13 | 106.37 | 3.01 | 104.47 | 2.64 | 110.50 | 3.46 | 99.30 | 3.05 |
| June 17 | 105.46 | 3.07 | 104.34 | 2.65 | 112.00 | 3.31 | 99.85 | 3.01 |
| July 15 | 105.81 | 3.04 | 104.56 | 2.63 | 112.48 | 3.26 | 1101.00 | 2.91 |
| August 12. | 105.86 | 3.04 | 104.72 | 2.62 | 113.63 | 3.15 | 102.75 | 2.76 |
| Septemoer 16 | 106.34 | 3.00 | 105.13 | 2.59 | 113.88 | 3.12 | 101.60 | 2.86 |
| October 14 | 106.95 | 2.95 | 104.97 | 2.60 | 111.63 | 3.32 | 99.88 | 3.01 |
| November 12 | 106.73 | 2.97 | 105.94 | 2.52 | 112.00 | 3.28 | 100.10 | 2.99 |
| December 16 | 105.73 | 3.04 | 106.28 | 2.49 | 112.75 | 3.20 | 101.13 | 2.90 |
| 1937 |  |  |  |  |  |  |  |  |
| January 13 | 105.02 | 3.10 | 106.53 | 2.47 | 112.38 | 3.23 | 100.63 | 2.94 |
| February 17 | 101.05 | 3.41 | 106.38 | 2.48 | 109.50 | 3.50 | 97.50 | 3.18 |
| March 17 | 100.78 | 3.43 | 104.81 | 2.60 | 107.25 | 3.73 | 95.00 | 3.37 |
| April 14 | 101.64 | 3.36 | 102.44 | 2.79 | 107.88 | 3.66 | 95.38 | 3.34 |

X All prices are quoted on an "and interest" busis. 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, Great Britain and United States, 1935-1937
$(1926=100)$

| Month | Canada (96) (Dominion Bureau of Statistics) | England (92) (London and Cambridge Economic Service) | ```United States (419) (Standard Statistics Co. Inc.)``` |
| :---: | :---: | :---: | :---: |
| 1935 |  |  |  |
| - 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 |
| 1936 |  |  |  |
| January . |  |  |  |
| 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 |
| Sep tember | 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 | 123.1 |
| 1937 |  |  |  |
| - Januery | 137.4 | 147.0 | 126.4 |
| February | 142.4 | 143.5 | 129.5 |
| March . | 147.2 | 135.7 | 129.9 |
| April | 136.2 | 135.7 | 124.5 |

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.


[^0]:    * Subject to revision.

