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Security Transactions - Second Quarter 1969

The net inflow due to transactions in portfolio securities between Canada and other countries during the second quarter fell by more than twenty-five per cent to \$422 million from the record high \$580 million in the first quarter. Net sales of Canadian issues dropped by \$209 million, or almost one third to \$429 million; as deliveries of new issues returned to the more normal level of \$492 million from the rather high \$653 million in the first quarter. Net purchases of foreign securities by Canadians registered a small net outflow of \$7 million, continuing the decline evident since the third quarter of 1968 which has been largely attributable to reduced net purchases of outstanding issues.

The sharp decline in deliveries of new Canadian issues during the quarter, which nevertheless constituted the third highest on record, was attributable in large part to a \$124 million reduction in deliveries of new provincial direct and guaranteed bond issues. New municipal issues which rose to near record levels of \$86 million were almost double the previous quarter's figure. New issues of corporate bonds at \$80 million shared in the overall decline dropping to less than one half of the \$175 million for the previous quarter. However, with the inclusion of new issues of railways (not guaranteed by governments) the combined total registered a decline of only one third vis-a-vis the previous quarter. Geographically over seven tenths of the proceeds of new bond issues came from the United States and nearly all of the remainder from Continental Europe, which provided approximately the same proportion of the proceeds as in the previous quarter. International proceeds from new issues of common and preference stocks remained at a high level at \$76 million, chiefly as a result of large foreign purchases of new stock issues in the petroleum and petroleum distribution industries, which also constituted the major factor in the first quarter's high level.

Trading in outstanding Canadian securities produced a slightly smaller net sales balance of \$38 million compared with about \$54 million in the previous quarter. Transactions in outstanding bonds gave rise to a net capital outflow of \$6 million representing a swing of \$23 million from the March quarter inflow of \$17 million which was largely explained by net repurchases of outstanding provincial and corporate issues. The net inflow from transactions in Canadian equities during the quarter was slightly higher at \$44 million. (It should be noted that this figure does not reflect the sizeable transactions involved in the acquisition of further holdings in a Canadian brewery by an international concern, which have been included elsewhere in the Balance of Payments accounts.) Geographically, there was a net outflow of \$1 million to the United Kingdom and net inflows of \$30 million and \$9 million from the United States and other foreign countries respectively.

Retirements of Canadian securities rose by \$32 million to \$101 million during the quarter. Substantial increases in retirements of corporate and Government of Canada issues more than accounted for this increase. About four fifths of the retirements were on issues held by United States residents while most of the remainder was held by international organizations and residents of countries other than the United Kingdom.

The decline in the net capital outflow from transactions in foreign securities constituted the third such consecutive quarterly decrease and at \$7 million, was some \$51 million smaller than the figure for the first quarter. Again, as with the previous two quarters the major reason for the decline was the decreased net purchases of common and preference shares from the United States.

Security Transactions between Canada and Other Countries

Net sales (+) or purchases (-) by Canadians	1968 ^P				1969 ^P	
	First	Second	Third	Fourth	First	Second
	quarter	quarter	quarter	quarter	quarter	quarter
	millions of dollars					
<u>Canadian securities</u>						
Outstanding issues - Bonds, etc.	- 52	- 11	- 13	+ 7	+ 17	- 6
Stocks	+ 15	+ 34	+ 10	+ 53	+ 37	+ 44
New issues	+ 407	+ 708	+ 452	+ 366	+ 653	+ 492
Retirements	- 124	- 120	- 37	- 114	- 69	- 101
<u>Foreign securities</u>						
Outstanding issues	- 75	- 127	- 121	- 102	- 49	- 6
New issues	- 23	- 9	- 14	- 24	- 11	- 20
Retirements	+ 9	+ 7	+ 3	+ 8	+ 2	+ 19
Totals - All securities	+ 157	+ 482	+ 280	+ 194	+ 580	+ 422

P Preliminary figures.

Balance of Payments and Financial Flows Division
Balance of Payments Section

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Transactions in Canadian Securities between Canada and Other Countries

	1968P				1969P	
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter
millions of dollars						

Trade in Outstanding Canadian Securities between Canada and Other Countries

Bonds and debentures

Government of Canada, direct	- 12	- 2	- 5	+ 8	+ 6	+ 10
Government of Canada, guaranteed	- 7	- 3	-	+ 3	-	+ 1
Provincial government (incl. guaranteed)	- 16	- 4	- 4	- 9	+ 6	- 6
Municipal government	- 3	- 1	- 2	-	- 3	- 1
Railways, not guaranteed by governments ..	-	+ 2	-	-	-	- 1
Other corporations	- 14	- 3	- 2	+ 5	+ 8	- 9
Sub-totals, bonds and debentures	- 52	- 11	- 13	+ 7	+ 17	- 6
Common and preference stocks	+ 15	+ 34	+ 10	+ 53	+ 37	+ 44
Totals	- 37	+ 23	- 3	+ 60	+ 54	+ 38

Proceeds of New Issues of Canadian Securities Sold to Non-residents

Bonds and debentures

Government of Canada, direct	4	255	4	27	15	3
Government of Canada, guaranteed	-	-	-	-	-	-
Provincial government (incl. guaranteed)	240	173	251	197	333	209
Municipal government	45	28	20	31	44	86
Railways, not guaranteed by governments ..	20	2	-	-	-	32
Other corporations	90	242	152	91	175	80
Sub-totals, bonds and debentures	399	700	427	346	568	416
Common and preference stocks	8	8	25	20	85	76
Totals	407	708	452	366	653	492

Retirements of Canadian Securities Held by Non-residents

Bonds and debentures

Government of Canada, direct	10	21	-	18	-	24
Government of Canada, guaranteed	-	9	-	-	-	-
Provincial government (incl. guaranteed)	22	19	8	26	27	17
Municipal government	15	11	11	23	15	14
Railways, not guaranteed by governments ..	27	9	-	-	-	-
Other corporations	50	51	18	46	27	45
Sub-totals, bonds and debentures	124	120	37	113	69	100
Common and preference stocks	-	-	-	1	-	1
Totals	124	120	37	114	69	101

P Preliminary figures.

Offerings and Deliveries of New Issues of Canadian Bonds and Debentures
Sold to Residents of the United States

Year and quarter	Offerings	Deliveries of prior offerings	Offerings for later delivery	Proceeds of new issues	Undelivered balance at end of period
millions of dollars					
1966	1,156	324	122	1,357	122
1967	1,466	122	374	1,214	374
1968	1,907	240	792	1,355	926
1967 - I	346	96	149	293	175
II	384	145	249	280	279
III	422	116	276	262	439
IV	314	160	95	379	374
1968 - I	399	96	162	333	440
II	348	218	136	430	358
III	284	81	88	277	365
IV	876	78	639	315	926
1969 - I	429	183	238	374	981
II	259	118	92	285	955
III					
IV					

Trading in Outstanding Securities - June 1969

During the month of June, trading in outstanding securities (excluding the take-over transactions mentioned above) gave rise to a \$35.0 million net inflow compared to a net outflow of \$38.5 million in May. The net inflow due to international sales and purchases of outstanding Canadian securities fell from \$19.8 million to \$5.6 million in June. Trading in outstanding foreign securities during June produced a large swing of \$87.8 million moving from a net outflow of \$58.3 million in May to a \$29.5 million net inflow in June. Trading in United States common and preference stocks with the United States accounted for some \$81.1 million of this swing.

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

Month	Sales		Repurchases and maturities		Net change in holdings		Holdings 1969			
	1968	1969	1968	1969	1968	1969	Total	United States	United Kingdom	Other
millions of dollars										
January	11	21	3	18	+ 8	+ 3	75	-	3	72
February	34	40	26	23	+ 8	+ 17	92	11	2	79
March	50	70	43	77	+ 7	- 7	85	3	2	80
April	17	65	10	66	+ 7	- 1	84	7	3	74
May	17	58	22	71	- 5	- 13	71	8	4	59
June	29	98	30	89	- 1	+ 9	80	12	4	64
July	7		3		+ 4					
August	8		7		+ 1					
September	12		6		+ 6					
October	13		10		+ 3					
November	62		51		+ 11					
December	29		30		- 1					

International Transactions in Canadian Short-Term Money Markets (except Treasury Bills)

Item	All countries						United States					
	Sales to		Repurchases and maturities		Net sales +		Sales to		Repurchases and maturities		Net sales +	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
millions of dollars												
<u>Buy-back transactions(1)</u>												
First quarter	7	1	7	-	-	-	1	-	1	-	-	-
Second quarter	10	-	10	-	-	-	10	-	10	-	-	-
Third quarter	6		6		-	-	5		5		-	-
Fourth quarter	-		-		-	-	-		-		-	-
Year	23		23		-	-	16		16		-	-
<u>Finance company paper</u>												
First quarter	143	359	203	200	- 60	+ 159	131	346	155	192	- 24	+ 154
Second quarter	106	601	141	531	- 35	+ 70	101	595	108	514	- 7	+ 81
Third quarter	85		122		- 37		55		98		- 43	
Fourth quarter	94		97		- 3		92		84		+ 8	
Year	428		563		- 135		379		445		- 66	
<u>Other finance company obligations(2)</u>												
First quarter	46	32	53	9	- 7	+ 23	41	32	50	5	- 9	+ 27
Second quarter	33	61	39	33	- 6	+ 28	32	61	38	33	- 6	+ 28
Third quarter	17		18		- 1		17		18		- 1	
Fourth quarter	43		10		+ 33		43		10		+ 33	
Year	139		120		+ 19		133		116		+ 17	
<u>Commercial paper(3)</u>												
First quarter	33	43	34	44	- 1	- 1	23	39	22	39	+ 1	-
Second quarter	14	62	14	45	-	+ 17	10	58	12	42	- 2	+ 16
Third quarter	22		19		+ 3		14		12		+ 2	
Fourth quarter	31		32		- 1		27		28		- 1	
Year	100		99		+ 1		74		74		-	
<u>Other short-term paper(4)</u>												
First quarter	73	75	65	77	+ 8	- 2	48	60	46	72	+ 2	- 12
Second quarter	50	33	67	53	- 17	- 20	30	31	37	38	- 7	- 7
Third quarter	60		61		- 1		17		10		+ 7	
Fourth quarter	38		40		- 2		35		36		- 1	
Year	221		233		- 12		130		129		+ 1	

(1) Based on Government of Canada securities having an original term over one year.

(2) Bank loans and inter-company accounts.

(3) Including bankers' acceptances.

(4) Including notes of banks, mortgage loan companies and municipal and provincial governments.

International Short-Term Transactions

Long-term interest yields (as measured by an average of all Government of Canada issues not due or callable within 10 years) continued at historically high levels during the second quarter of 1969. From the first quarter closing rate of 7.22 per cent, these rates dropped slightly to 7.18 per cent in mid-April before climbing strongly to 7.50 per cent to record an overall quarterly rise of 28 basis points. Short-term rates (as measured by three month treasury bill yields) moved up 55 basis points during the quarter in line with the Bank Rate increase of 1/2 per cent to 7.50 per cent on June 11, 1969. The short-term yield differential nearly doubled in favour of Canada (from a 45 basis point to an 81 basis point spread) as United States treasury bills remained quite stable over the quarter. The concurrent doubling of the forward premium on the Canadian dollar (from a 74 basis point to a 141 basis point premium) pushed the covered yield differential in June to an extremely high 2.22 per cent in favour of Canada.

Total transactions in money market instruments and other short-term borrowing by finance companies (data of which are included only in the accompanying two statements) resulted in a net capital inflow of \$90 million compared with a net inflow of \$192 million in the first quarter. Geographically, there was a net inflow of \$127 million from the United States offset slightly by net outflows of \$5 million and \$32 million to the United Kingdom and other foreign countries respectively.

For the second consecutive time, after five previous quarterly declines, non-residents' holdings of Canadian finance company paper (including that of financing subsidiaries of manufacturing and retail enterprises) increased, rising by \$70 million despite an overall \$88 million decrease in the amount of Canadian finance company paper outstanding. Transactions in other finance company obligations of a short-term nature (which include borrowings from foreign banks and advances from parent companies) led on balance to a net inflow of \$28 million compared to a net inflow of \$23 million in the previous quarter. In addition, there were, of course, other finance company transactions not identified separately which have been included with capital movements in long-term forms, notably new issues and retirements of Canadian securities. All in all, the international borrowing of these companies in the second quarter resulted in an aggregate net inflow of about \$100 million.

Non-residents decreased their holdings of Canadian treasury bills by \$5 million from \$85 million to \$80 million. Sharp reductions of holdings of foreign official institutions were offset to some extent by \$9 million and \$2 million increases in holdings by residents of the United States and the United Kingdom respectively.

International transactions in Canadian commercial paper (including bankers' acceptances) led to a substantial net inflow of \$17 million while transactions in other short-term paper (including notes of banks, mortgage loan companies and municipal and provincial governments) resulted in a net outflow of \$20 million. Buy-back transactions based on Government of Canada securities with an original term of over one year were negligible during the quarter.

Arbitrage on Treasury Bills between Canada and the United States, 1969(1)

Last Friday of month	Treasury bill rates(2)		United States	Spread (favour of Canada)	Premium (+) or discount (-) on forward Canadian dollar(3)	Net incentive (favour of Canada)
	Canada	Adjusted to U.S. quotation basis				
	As quoted in Canada					
				per cent per annum		
January	6.37	6.18	6.15	+ .03	- .09	- .06
February	6.43	6.24	6.17	+ .07	+ .50	+ .57
March	6.56	6.37	5.92	+ .45	+ .74	+ 1.19
April	6.58	6.39	6.07	+ .32	+ .74	+ 1.06
May	6.70	6.50	6.08	+ .42	+ 1.38	+ 1.80
June	7.11	6.89	6.08	+ .81	+ 1.41	+ 2.22
July						
August						
September						
October						
November						
December						

(1) As published in the United States Federal Reserve Bulletin. (2) Market offer rates at 11 a.m. on the latest issue of three month bills. (3) Rates per annum computed on basis of midpoint quotation (between bid and offer) at 11 a.m. in New York for both spot and forward Canadian dollars. When purchasing Canadian funds with United States dollars and simultaneously reselling them for United States dollars for delivery in 90 days, a positive figure represents a nominal return, at annual rates, to a United States resident, while a negative figure represents a nominal cost. The cases are reversed for a Canadian holder of Canadian funds doing a swap transaction in United States dollars.

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. -
1967- Year	701.3	746.1	- 44.8	414.7	401.4	+ 13.4	97.7	156.2	- 58.4	188.8	188.6	+ 0.2
1968- Year	987.4	944.8	+ 42.7	504.9	468.5	+ 36.4	178.1	203.5	- 25.4	304.4	272.7	+ 31.6
1969- 6 months	690.5	598.4	+ 92.2	312.5	283.3	+ 29.3	133.8	122.6	+ 11.2	244.2	192.5	+ 51.7
1968- January	78.2	78.2	-	39.9	40.5	- 0.6	19.9	16.1	+ 3.8	18.4	21.6	- 3.2
February	59.4	72.9	- 13.5	30.6	45.1	- 14.5	10.6	10.3	+ 0.4	18.2	17.6	+ 0.6
March	61.9	85.9	- 24.0	34.0	35.6	- 1.6	9.0	26.8	- 17.8	18.9	23.5	- 4.6
April	62.3	56.5	+ 5.8	32.3	31.0	+ 1.3	8.3	10.7	- 2.4	21.8	14.9	+ 6.8
May	88.6	73.2	+ 15.4	51.3	29.5	+ 21.9	13.8	20.5	- 6.6	23.4	23.2	+ 0.2
June	83.7	81.9	+ 1.8	42.4	44.0	- 1.6	16.3	20.2	- 3.9	25.1	17.7	+ 7.4
July	68.5	79.0	- 10.4	34.5	43.8	- 9.3	10.9	14.0	- 3.1	23.1	21.2	+ 1.9
August	76.7	76.1	+ 0.6	45.0	39.6	+ 5.4	14.0	13.1	+ 0.9	17.7	23.4	- 5.7
September	80.4	73.5	+ 6.8	41.3	30.8	+ 10.5	14.2	19.1	- 4.9	24.9	23.6	+ 1.2
October	100.0	87.3	+ 12.7	48.1	42.4	+ 5.7	17.6	13.6	+ 4.1	34.2	31.3	+ 2.9
November	104.5	91.4	+ 13.1	47.5	42.8	+ 4.7	22.2	21.9	+ 0.3	34.8	26.6	+ 8.2
December	123.1	88.7	+ 34.4	58.0	43.4	+ 14.6	21.3	17.3	+ 4.0	43.8	28.0	+ 15.8
Month not identified	-	-	-	-	-	-	-	-	-	-	-	-
1969- January	109.7	96.0	+ 13.6	50.7	50.3	+ 0.5	21.5	17.1	+ 4.4	37.4	28.7	+ 8.8
February	129.2	89.5	+ 39.7	42.7	35.2	+ 7.5	28.6	18.8	+ 9.8	57.9	35.5	+ 22.4
March	91.5	90.9	+ 0.6	31.7	40.6	- 9.0	18.9	21.0	- 2.1	40.9	29.3	+ 11.6
April	118.8	105.9	+ 12.9	63.4	63.1	+ 0.2	18.9	15.3	+ 3.6	36.5	27.5	+ 9.0
May	127.6	107.8	+ 19.8	68.4	43.2	+ 25.2	25.6	26.0	- 0.4	33.5	38.5	- 5.0
June	113.8	108.2	- 5.6	55.6	50.8	+ 4.8	20.2	24.4	- 4.2	37.9	33.0	+ 4.9
July												
August												
September												
October												
November												
December												
Month not identified												

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.-
1967- Year	1,923.8	2,305.7	- 381.9	1,837.8	2,193.3	- 355.5	28.4	54.9	- 26.5	57.6	57.5	+ 0.1
1968- Year	2,654.2	3,079.5	- 425.3	2,582.8	2,989.4	- 406.6	29.5	39.8	- 10.3	42.0	50.3	- 8.3
1969- 6 months	1,133.2	1,188.1	- 54.9	1,100.3	1,154.1	- 53.8	14.5	15.7	- 1.2	18.4	18.3	+ 0.1
1968- January	185.0	231.7	- 46.7	180.3	224.1	- 43.8	1.5	2.8	- 1.3	3.2	4.8	- 1.6
February (1)	186.0	156.5	+ 29.5	181.3	148.0	+ 33.3	1.3	2.6	- 1.3	3.3	5.9	- 2.5
March	151.2	206.2	- 55.0	147.5	199.6	- 52.2	1.3	2.6	- 1.2	2.4	4.0	- 1.6
April	233.2	302.7	- 69.5	228.2	292.8	- 64.6	2.2	4.8	- 2.6	2.8	5.1	- 2.3
May	279.3	286.2	- 6.9	271.9	275.6	- 3.7	2.5	4.9	- 2.4	5.0	5.7	- 0.8
June	239.9	290.7	- 50.8	232.9	284.8	- 52.0	2.9	2.3	+ 0.6	4.1	3.6	+ 0.5
July	229.9	277.8	- 47.9	221.2	268.5	- 47.3	3.8	5.9	- 2.1	4.8	3.4	+ 1.4
August	197.1	221.1	- 24.1	191.0	214.4	- 23.3	3.2	3.5	- 0.4	2.9	3.2	- 0.4
September	184.8	234.6	- 49.8	178.8	228.1	- 49.3	3.2	2.3	+ 0.9	2.8	4.2	- 1.4
October	261.3	287.2	- 25.9	253.9	279.9	- 26.0	3.3	3.6	- 0.3	4.1	3.7	+ 0.4
November	238.1	276.3	- 38.2	232.7	271.3	- 38.6	2.8	2.2	+ 0.6	2.6	2.9	- 0.3
December	246.2	285.0	- 38.8	241.9	279.0	- 37.1	1.5	2.3	- 0.8	2.8	3.7	- 0.9
Month not identified	20.3	16.3	+ 4.0	20.3	16.3	+ 4.0	-	-	-	-	-	-
1969- January	189.5	225.9	- 36.5	181.2	217.7	- 36.5	4.8	4.9	- 0.1	3.4	3.3	+ 0.1
February	188.7	210.9	- 22.2	183.1	204.5	- 21.5	2.4	3.1	- 0.8	3.2	3.3	-
March	175.4	159.2	+ 16.2	170.8	155.1	+ 15.7	2.1	2.0	+ 0.1	2.5	2.1	+ 0.5
April	190.0	164.3	+ 25.7	184.5	159.5	+ 25.1	2.1	1.8	+ 0.4	3.3	3.1	+ 0.2
May	212.1	270.4	- 58.3	204.4	263.6	- 59.2	2.6	2.6	-	5.0	4.2	+ 0.9
June	166.9	137.4	+ 29.5	165.6	133.8	+ 31.8	0.4	1.2	- 0.8	0.8	2.4	- 1.6
July												
August												
September												
October												
November												
December												
Month not identified	10.7	19.9	- 9.2	10.7	19.9	- 9.2	-	-	-	-	-	-

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

(1) Includes special sales of outstanding I.B.R.D. bonds by the Government of Canada.

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

(Thousands of dollars)

June 1969	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	280,653	245,612	+ 35,041	221,252	184,616	+ 36,636	20,657	25,639	- 4,982	38,744	35,357	+ 3,387
Canadian Securities, Total	113,795	108,236	+ 5,559	55,614	50,841	+ 4,773	20,250	24,404	- 4,154	37,931	32,991	+ 4,940
Bonds and Debentures	15,151	17,821	- 2,670	4,194	8,152	- 3,958	7,835	7,758	+ 77	3,122	1,911	+ 1,211
Common and Preference Stocks	98,625	90,413	+ 8,212	51,420	42,689	+ 8,731	12,415	16,646	- 4,231	34,790	31,078	+ 3,712
Other Securities	19	2	+ 17	-	-	-	-	-	-	19	2	+ 17
Foreign Securities, Total	166,858	137,376	+ 29,482	165,638	133,775	+ 31,863	407	1,235	- 828	813	2,366	- 1,553
United States Issues:												
Bonds and Debentures	7,933	4,670	+ 3,263	7,746	4,368	+ 3,378	61	113	- 52	126	189	- 63
Common and Preference Stocks	155,211	127,267	+ 27,944	154,531	125,390	+ 29,141	189	216	- 27	491	1,661	- 1,170
United Kingdom Issues:												
Bonds and Debentures	30	-	+ 30	-	-	-	30	-	+ 30	-	-	-
Common and Preference Stocks	136	235	- 99	115	200	- 85	18	35	- 17	3	-	+ 3
Other Foreign Countries Issues:												
Bonds and Debentures	240	324	- 84	27	117	- 90	96	138	- 42	117	69	+ 48
Common and Preference Stocks	3,307	4,878	- 1,571	3,218	3,698	- 480	13	733	- 720	76	447	- 371
All Other Foreign Securities	1	2	- 1	1	2	- 1	-	-	-	-	-	-
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	10,176	9,570	+ 606	1,049	2,749	- 1,700	7,347	6,406	+ 941	1,780	415	+ 1,365
Government of Canada - Guaranteed	750	441	+ 309	50	1	+ 49	302	312	- 10	398	128	+ 270
Provincial	2,077	4,110	- 2,033	1,800	3,621	- 1,821	18	444	- 426	259	45	+ 214
Municipal	67	1,024	- 957	59	976	- 917	-	-	-	8	48	- 40
Railway, not guaranteed by governments	21	52	- 31	-	50	- 50	-	1	- 1	21	1	+ 20
Other Corporations	2,060	2,624	- 564	1,236	755	+ 481	168	595	- 427	656	1,274	- 618
United States Issues:												
Government	1,095	446	+ 649	1,095	446	+ 649	-	-	-	-	-	-
Other	6,838	4,224	+ 2,614	6,651	3,922	+ 2,729	61	113	- 52	126	189	- 63
United Kingdom Issues:												
Government	30	-	+ 30	-	-	-	30	-	+ 30	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-

TABLE 5. Trade in Outstanding Securities Between Canada and Other Countries
(Millions of dollars)

Six months ending June 1969	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	1,823.7	1,786.5	+ 37.3	1,412.8	1,437.4	- 24.6	148.3	138.3	+ 10.0	262.6	210.8	+ 51.8
Canadian Securities, Total	690.5	598.4	+ 92.2	312.5	283.3	+ 29.3	133.8	122.6	+ 11.2	244.2	192.5	+ 51.7
Bonds and Debentures	113.7	103.0	+ 10.7	43.1	52.4	- 9.3	43.1	29.3	+ 13.9	27.5	21.3	+ 6.2
Common and Preference Stocks	576.6	495.3	+ 81.3	269.4	230.8	+ 38.6	90.7	93.3	- 2.6	216.5	171.2	+ 45.4
Other Securities	0.3	0.1	+ 0.2	0.1	0.1	-	-	-	-	0.2	-	+ 0.2
Foreign Securities, Total	1,133.2	1,188.1	- 54.9	1,100.3	1,154.1	- 53.8	14.5	15.7	- 1.2	18.4	18.3	+ 0.1
United States Issues:												
Bonds and Debentures	66.7	75.8	- 9.1	57.5	68.0	- 10.5	2.8	3.1	- 0.3	6.5	4.8	+ 1.7
Common and Preference Stocks	1,039.4	1,074.3	- 34.9	1,028.5	1,059.7	- 31.2	2.7	4.2	- 1.4	8.2	10.5	- 2.2
United Kingdom Issues:												
Bonds and Debentures	1.5	1.1	+ 0.3	1.1	0.8	+ 0.3	0.4	0.4	-	-	-	-
Common and Preference Stocks	4.2	7.5	- 3.3	0.2	4.8	- 4.6	3.9	2.5	+ 1.4	0.1	0.2	- 0.1
Other Foreign Countries Issues:												
Bonds and Debentures	2.9	5.3	- 2.4	0.8	0.4	+ 0.4	0.5	3.0	- 2.5	1.7	2.0	- 0.3
Common and Preference Stocks	18.1	23.9	- 5.8	12.0	20.5	- 8.6	4.3	2.6	+ 1.6	1.9	0.7	+ 1.1
All Other Foreign Securities	0.3	0.1	+ 0.2	0.3	-	+ 0.3	-	-	-	0.1	0.1	-
Analysis of Bonds and Debentures												
Canadian Issues:												
Government of Canada - Direct	63.1	47.3	+ 15.8	18.7	18.6	+ 0.1	32.8	23.7	+ 9.1	11.7	5.1	+ 6.6
Government of Canada - Guaranteed	4.4	2.9	+ 1.5	2.1	0.1	+ 1.9	0.7	1.0	- 0.3	1.7	1.8	- 0.2
Provincial	22.6	22.9	- 0.3	15.0	18.0	- 3.0	0.3	2.0	- 1.7	7.3	2.9	+ 4.4
Municipal	1.3	5.5	- 4.2	0.5	4.3	- 3.9	0.1	0.4	- 0.2	0.7	0.8	- 0.1
Railway, not guaranteed by governments	0.1	1.1	- 1.0	-	0.4	- 0.4	-	0.1	- 0.1	0.1	0.7	- 0.6
Other Corporations	22.2	23.2	- 1.0	6.9	11.0	- 4.1	9.2	2.2	+ 7.0	6.1	10.0	- 3.9
United States Issues:												
Government	6.2	5.9	+ 0.4	6.2	5.9	+ 0.3	-	-	-	0.1	-	+ 0.1
Other	60.5	69.9	- 9.5	51.3	62.1	- 10.8	2.8	3.1	- 0.3	6.4	4.8	+ 1.6
United Kingdom Issues:												
Government	0.2	0.3	- 0.1	0.2	0.3	- 0.1	-	-	-	-	-	-
Other	1.2	0.8	+ 0.4	0.9	0.4	+ 0.4	0.4	0.4	-	-	-	-

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.-
1967 - Year	128.6	185.3	- 56.7	51.6	115.4	- 63.8	572.7	560.8	+ 11.9	363.2	286.0	+ 77.2
1968 - Year	172.7	242.5	- 69.8	66.8	134.1	- 67.3	814.7	702.3	+ 112.4	438.1	334.4	+ 103.7
1969 - 6 months	114.0	103.1	+ 10.9	43.2	52.5	- 9.3	576.6	495.3	+ 81.3	269.4	230.8	+ 38.6
1968 - January	18.0	20.9	- 2.9	4.5	13.0	- 8.5	60.2	57.3	+ 2.9	35.4	27.5	+ 7.9
February	6.3	30.3	- 24.0	3.0	22.9	- 20.0	53.1	42.6	+ 10.5	27.6	22.1	+ 5.5
March	8.5	34.6	- 26.1	2.5	16.0	- 13.5	53.5	51.4	+ 2.1	31.6	19.6	+ 11.9
April	14.3	11.2	+ 3.2	5.8	6.4	- 0.5	48.0	45.3	+ 2.7	26.5	24.6	+ 1.9
May	13.0	16.8	- 3.8	5.3	6.0	- 0.8	75.6	56.4	+ 19.2	46.1	23.5	+ 22.6
June	17.3	27.5	- 10.2	4.5	15.2	- 10.7	66.4	54.4	+ 12.0	37.9	28.9	+ 9.0
July	10.3	17.8	- 7.5	4.8	12.1	- 7.3	58.2	61.1	- 2.9	29.6	31.6	- 2.0
August	19.3	19.3	-	14.0	12.7	+ 1.3	57.5	56.8	+ 0.7	31.0	26.9	+ 4.1
September	10.9	16.2	- 5.3	3.1	6.4	- 3.3	69.5	57.3	+ 12.1	38.2	24.4	+ 13.8
October	16.5	11.3	+ 5.2	7.5	6.8	+ 0.7	83.5	76.0	+ 7.5	40.6	35.6	+ 5.0
November	20.1	19.0	+ 1.1	6.4	8.3	- 1.9	84.4	72.7	+ 11.7	41.0	34.5	+ 6.5
December	18.2	17.9	+ 0.4	5.5	8.2	- 2.8	104.9	70.9	+ 34.0	52.5	35.2	+ 17.3
Month not identified	-	-	-	-	-	-	-	-	-	-	-	-
1969 - January	9.1	7.5	+ 1.6	4.8	4.4	+ 0.4	100.6	88.5	+ 12.0	45.9	45.9	+ 0.1
February	22.6	11.5	+ 11.1	7.2	4.9	+ 2.3	106.6	78.0	+ 28.6	35.5	30.3	+ 5.2
March	21.3	16.8	+ 4.4	5.0	5.9	- 0.9	70.2	74.1	- 3.9	26.6	34.7	- 8.1
April	31.6	27.8	+ 3.8	18.6	21.0	- 2.3	87.2	78.1	+ 9.0	44.8	42.2	+ 2.6
May	14.1	21.6	- 7.5	3.4	8.2	- 4.8	113.4	86.1	+ 27.3	65.1	35.0	+ 30.1
June	15.2	17.8	- 2.7	4.2	8.2	- 4.0	98.6	90.4	+ 8.2	51.4	42.7	+ 8.7
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.

TABLE 7. Selected Capital Market Statistics

Year and month	Domestic Government Bonds (Last Wednesday of month)					Stock prices		Exchange rate	
	United States		Canada			Canada Dominion Bureau of Statistics		United States Standard and Poor's com- posite stock index of industrials, railroads and utilities	United States dollar in Canada (noon average in cents)
	3 1/4% due June 15, 1978-83		3 3/4% due January 15, 1975-78		Long- term average yield(1)	Investors' price index (indus- trials utilities finance)	Composite mining index		
	Price	Yield	Price	Yield					
						1956=100		1941-1943=10	
1964 - March	86.94	4.25	85.38	5.25	5.25	147.1	96.4	78.80	108.05
June	88.81	4.10	86.06	5.20	5.20	160.5	96.4	80.24	108.09
September	88.19	4.16	86.13	5.21	5.21	166.8	104.2	83.40	107.61
December	88.31	4.16	87.63	5.06	5.03	169.4	112.6	83.96	107.46
1965 - March	88.81	4.13	87.31	5.11	5.06	180.0	119.0	86.83	108.11
June	88.69	4.15	86.81	5.20	5.16	174.0	110.0	85.04	108.23
September	86.56	4.35	85.31	5.40	5.32	175.5	109.7	85.32	107.64
December	85.06	4.49	84.50	5.53	5.40	173.8	110.1	91.73	107.58
1966 - March	84.31	4.58	83.31	5.72	5.58	175.0	116.3	88.88	107.62
June	82.56	4.76	83.31	5.75	5.66	170.6	116.7	86.06	107.65
September	82.13	4.82	82.38	5.91	5.75	152.7	107.6	77.81	107.62
December	83.75	4.58	82.69	5.91	5.76	154.6	95.6	81.33	108.31
1967 - March	85.63	4.51	85.88	5.51	5.48	171.4	99.3	89.42	108.20
June	80.31	5.06	81.88	6.11	5.87	174.5	101.3	91.43	108.04
September	80.31	5.08	80.25	6.40	6.19	181.0	105.1	95.81	107.53
December	77.81	5.38	79.00	6.65	6.54	173.6	107.0	95.30	108.02
1968 - March	76.69	5.53	75.25	7.34	6.91	157.7	109.6	89.09	108.49
June	79.38	5.25	79.50	6.69	6.62	174.4	108.6	100.53	107.68
September	80.63	5.14	80.00	6.66	6.60	187.8	111.5	101.34	107.30
December	75.13	5.82	76.00	7.45	7.27	201.5	121.1	106.48	107.31
1969 - January	75.25	5.81	76.75	7.34	7.16	203.1	125.7	102.04	107.27
February	73.44	6.05	76.75	7.36	7.20	202.0	128.5	101.46	107.44
March	71.63	6.29	76.25	7.47	7.22	198.0	126.5	99.30	107.67
April	74.75	5.91	76.38	7.49	7.29	203.5	127.2	101.26	107.62
May	71.19	6.38	75.50	7.69	7.48	211.8	127.6	104.62	107.70
June	71.94	6.30	74.63	7.87	7.50	198.3	117.5	99.14	107.95
July									
August									
September									
October									
November									
December									

(1) Average of all direct Government of Canada issues due or callable in 10 years or over, excluding perpetuals.

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