

CATALOGUE No.

67-002 C.1

MONTHLY



# SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

MARCH 1970

*Published by Authority of*  
The Minister of Industry, Trade and Commerce

DOMINION BUREAU OF STATISTICS

Balance of Payments and Financial  
Flows Division

Balance of Payments Section

June 1970  
2306-503

Price: 20 cents  
\$2.00 a year

Vol. 36—No. 3

67000  
2-2

SALES AND MARKETING OF SEVENTIES  
BETWEEN CANADA AND OTHER COUNTRIES  
MARCH 1970

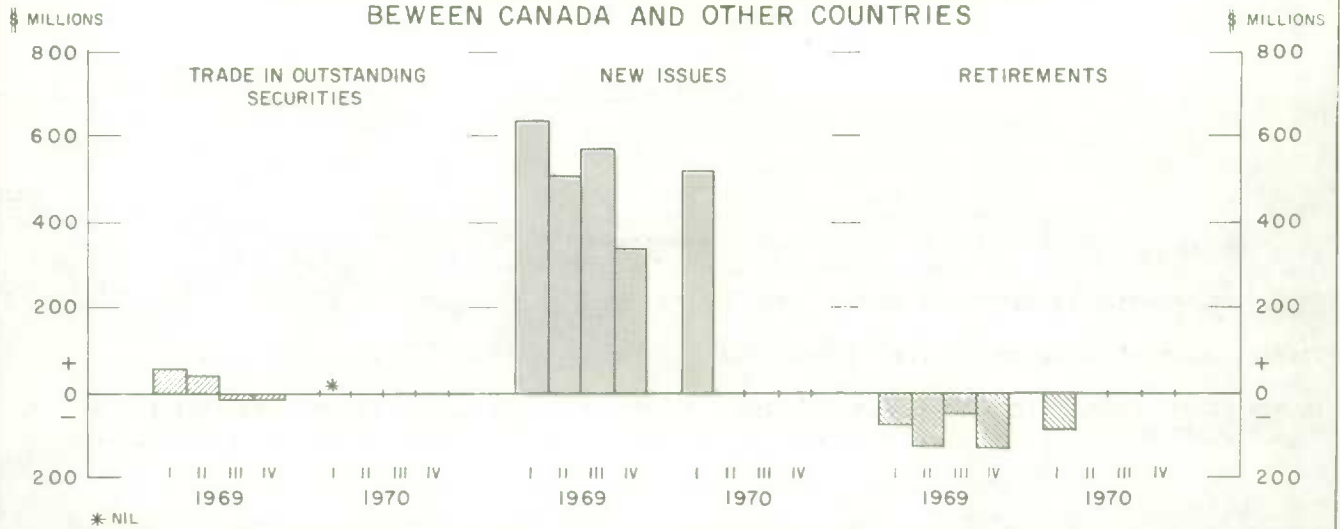
## TABLE OF CONTENTS

	<u>Page</u>
<u>SECTION</u>	
Review of security transactions in the first quarter of 1970 .....	5
Trading in outstanding securities - March 1970 .....	6
International transactions in selected Canadian short-term money market instruments, first quarter 1970 .....	6

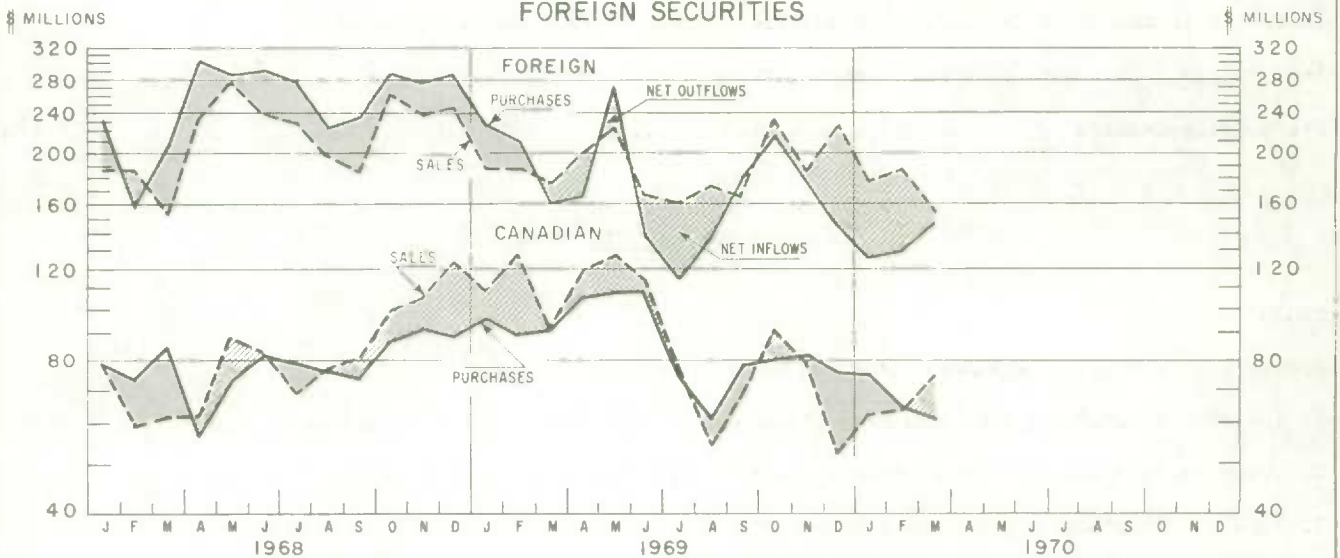
<u>CHARTS</u>	
Portfolio transactions in Canadian securities between Canada and other countries .....	4
International transactions in outstanding Canadian and foreign securities .....	4
Stock price indexes .....	4

<u>STATEMENTS</u>	
Table	
Security Transactions between Canada and Other Countries .....	5
1. Trade in Outstanding Canadian Securities between Canada and Other Countries .....	8
2. Trade in Outstanding Foreign Securities between Canada and Other Countries .....	9
3. Trade in Outstanding Securities between Canada and Other Countries during March 1970 .....	10
4. Trade in Outstanding Securities between Canada and Other Countries for the Year to Date .....	11
5. Trade in Outstanding Canadian Bonds and Debentures and Canadian Common and Preference Stocks between Canada and Other Countries .....	12
6. Transactions in Canadian Securities between Canada and Other Countries .....	13
7. Offerings and Deliveries of New Issues of Canadian Bonds and Debentures Sold to Residents of the United States .....	13
8. International Transactions in Selected Canadian Short-Term Money Market Instruments .....	14
9. Selected Capital Market Statistics .....	15

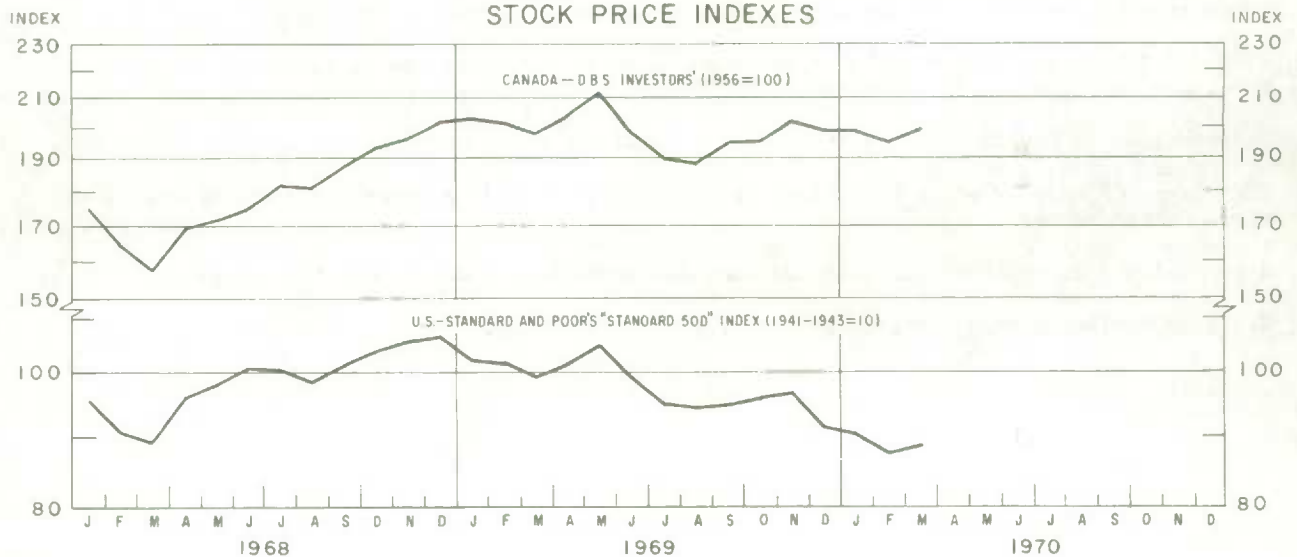
# PORTFOLIO TRANSACTIONS IN CANADIAN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES



## INTERNATIONAL TRANSACTIONS IN OUTSTANDING CANADIAN AND FOREIGN SECURITIES



## STOCK PRICE INDEXES



# SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

MARCH 1970

## Review of security transactions in the first quarter of 1970

International portfolio security transactions in the first quarter gave rise to a considerable net inflow of \$551 million, up sharply from the \$289 million net inflow in the fourth quarter of 1969 although slightly less than the \$563 million inflow recorded for the corresponding period in the previous year. The net inflow from transactions in Canadian securities, at \$434 million, was substantially down from the first quarter 1969 figure of \$621 million but transactions in foreign issues resulted in a net inflow of \$117 million this quarter compared with a net outflow of \$58 million in the first quarter of 1969. Geographically, net inflows of \$460 million, \$27 million and \$67 million came from the United States, United Kingdom and continental European countries respectively, and an outflow of \$3 million took place in transactions with residents of all other countries.

Sales abroad of new Canadian issues recovered in the first quarter to \$520 million, up from \$335 million in the fourth quarter of 1969 but were still substantially less than the figure of \$637 million for the first quarter of 1969. There were increased sales of all issues except those of the Government of Canada. Provincial government issues both direct and guaranteed, at \$255 million, again represented the bulk of new sales, but sales of corporate and municipal bonds were also significantly higher at \$190 million and \$50 million, respectively. Borrowing abroad as a proportion of gross new Canadian issues fell to less than 30 per cent from almost 40 per cent in the first quarter of 1969. There was evidence of a gradual easing of bond yields following the very tight conditions prevailing at the end of 1969. On a geographical basis, inflows from continental Europe, mainly Germany, declined, with a compensating increase in inflows from the United States. Sales in continental Europe of \$60 million in the first quarter, or approximately 12 per cent of total foreign borrowing by Canadians, compared with sales in the first quarter of 1969 of \$193 million, some 30 per cent of total borrowing abroad. Conversely, inflows of \$442 million from the United States were slightly more than the \$434 million recorded for the same period in 1969 despite the decline in total new issues abroad in the first quarter. On a proportional basis the inflows from the United States represented approximately 85 per cent of total borrowing abroad compared with 68 per cent in 1969. Inflows from the United Kingdom, at \$18 million, were \$10 million higher than in the first quarter of 1969.

A sizeable net inflow in March from transactions in outstanding Canadian securities reversed a series of outflows dating back to November 1969, and led on balance to no net movement of funds in the first quarter.

Retirements of Canadian bonds and debentures held abroad were slightly higher than a year earlier in all sectors except corporate, giving rise to outflows of approximately \$86 million compared with \$70 million in the first quarter of 1969.

## Security Transactions between Canada and Other Countries

Net sales (+) or purchases (-) by Canadians	1968	1969P				1970P
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
millions of dollars						
<b>Canadian securities</b>						
Outstanding issues - Bonds, etc. ....	+ 7	+ 17	- 6	- 12	+ 2	+ 4
Stocks .....	+ 53	+ 37	+ 44	- 4	- 16	- 4
New issues .....	+ 366	+ 637	+ 513	+ 573	+ 335	+ 520
Retirements .....	- 114	- 70	- 126	- 49	- 130	- 86
<b>Foreign securities</b>						
Outstanding issues .....	- 102	- 49	- 6	+ 67	+ 101	+ 118
New issues .....	- 24	- 11	- 21	- 5	- 6	- 3
Retirements .....	+ 8	+ 2	+ 19	+ 2	+ 3	+ 2
Totals - All securities .....	+ 194	+ 563	+ 417	+ 572	+ 289	+ 551

P Preliminary figures.



An unusually large net inflow of \$118 million from trading in outstanding foreign securities during the first quarter was the largest quarterly inflow on record, and exceeded the net inflow from outstanding security transactions for the whole of 1969. In comparison trading in outstanding foreign securities in the first quarter of 1969 resulted in a net outflow of \$49 million, while in the fourth quarter a net inflow of \$101 million was recorded. The inflow in the current period was due almost exclusively to net sales of United States equities, amounting to some \$116 million.

New issues of foreign securities sold in Canada and retirements of foreign securities held by Canadians gave rise to small capital movements of \$3 million and \$2 million respectively, compared with new issues of \$6 million and retirements of \$3 million in the fourth quarter of 1969.

Geographically, net inflows of \$99 million, \$12 million and \$7 million resulted from trading in all outstanding securities with residents of the United States, United Kingdom, and other European countries respectively, and a net outflow of almost \$1 million took place in trading with residents of all other countries. Gross trading in the first quarter, at \$1,316 million, was down from the corresponding figure for 1969 of \$1,777 million, reflecting to some extent reduced share volume on stock exchanges generally as investors appear to have adopted a more cautious attitude towards economic prospects.

#### Trading in Outstanding Securities - March 1970

International trading in outstanding securities during March led to a smaller net inflow of \$21.2 million compared with \$56.8 million in February. The change was largely attributable to substantially lower net sales of foreign securities (chiefly United States equities) of \$8.3 million. In contrast, net sales for the three months December to February averaged \$63.5 million. However, March represented the sixth successive month in which net sales of foreign securities took place. The net inflow from Canadian security transactions was the first since October, 1969, and comprised \$12.9 million of the total net inflow. Of the total net inflow of over \$21 million, almost \$11 million came from the United States, \$5 million from the United Kingdom, \$5 million from other European countries, and \$1 million from all other countries. By comparison, net inflows in March 1969 of \$7 million, \$10 million and \$2 million from the United States, European countries other than the United Kingdom, and all other countries respectively, were partially offset by a net outflow of \$2 million to the United Kingdom, resulting in a total net inflow of \$17 million from trading in outstanding securities.

#### International transactions in selected Canadian short-term money market instruments

International transactions in the Canadian money market continued at a high level during the first quarter leading to a net outflow of \$65 million on a turnover of \$1.8 billion. Gross trading was some 7 per cent higher than in the fourth quarter of 1969, and 76 per cent higher than in the same period of the previous year, as United States residents reduced their holdings of Canadian short-term securities by \$80 million, while residents of the United Kingdom and other countries increased their holdings by \$10 million and \$5 million respectively.

Transactions in finance company paper, mostly with United States residents, accounted for \$78 million of the total net outflow. This was the largest quarterly movement from transactions in finance company paper since the first quarter of 1969, even though gross trading was considerably lower than at any time since then.

Although giving rise to relatively little net movement of capital, transactions in commercial paper and Government of Canada treasury bills increased sharply from their fourth quarter levels, due mainly to trading with residents of the United Kingdom. Transactions with the United Kingdom in commercial paper was largely comprised of temporary transfers, so-called "week-end money", and contributed to the largest turnover on record in this class of security.

Short-term yields both in Canada and abroad eased in the first quarter from the exceptionally high levels prevailing in December. Yields on Canadian treasury bills and representative finance company paper fell by 81 basis points and 123 basis points to 7.00 per cent and 7.74 per cent, respectively, while yields on United States treasury bills and three-month Euro-dollar deposits fell by 193 and 163 basis points to 6.45 per cent (on an adjusted basis) and 8.50 per cent respectively.

Interest rate differentials between Canadian and United States treasury bills widened from 57 basis points in favour of the United States at the end of 1969 to 55 basis points in favour of Canada

at the end of the first quarter. The forward rate on the United States dollar moved from a discount of .06 per cent at the end of 1969 to a premium which fluctuated on a monthly average between a high of .28 per cent during February to a low of .08 per cent in March. During this period, Canada's official international reserves rose to the unusually high level of nearly U.S. \$3.6 billion as the spot rate for the Canadian dollar was pushed to the upper support limit used in practice by the authorities under the fixed exchange rate system. On March 30 the Bank of Canada lifted its limitation on swapped deposits, imposed in July 1969. By the end of the quarter a continued decline in the general level of interest rates had led to a differential of 100 basis points between the treasury bill rate and the Bank Rate, leading to speculation of revaluation of the Canadian dollar, which was reflected in the large movements of "week-end money" noted above.

The Bank Rate was maintained at 8 per cent throughout the March quarter. Subsequently, however, it was lowered to 7 1/2 per cent on May 11 and to 7 per cent on May 31 when the Minister of Finance announced that he was freeing the Canadian dollar from its fixed exchange rate.

TABLE 1. Trade in Outstanding Canadian Securities between Canada and Other Countries

Period	Total transactions			United States			United Kingdom			Other Europe			Other 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.-	Sales to	Purchases from	Net sales + purch.-
millions of dollars															
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	(1)	(1)	(1)
1969 - Year .....	1,111.1	1,049.1	+ 62.0	475.8	494.4	- 18.6	271.0	244.9	+ 26.0	275.2	241.3	+ 33.9	89.1	68.4	+ 20.7
1970 - 3 months .....	199.0	199.2	- 0.2	71.4	86.0	- 14.6	57.7	50.2	+ 7.5	62.2	54.4	+ 7.8	7.7	8.6	- 0.9
1969 - January .....	109.7	96.0	+ 13.6	50.7	50.3	+ 0.5	21.5	17.1	+ 4.4	22.9	18.0	+ 4.8	14.6	10.7	+ 3.9
February .....	129.2	89.5	+ 39.7	42.7	35.2	+ 7.5	28.6	18.8	+ 9.8	39.1	24.0	+ 15.1	18.8	11.5	+ 7.3
March .....	91.5	90.9	+ 0.6	31.7	40.6	- 9.0	18.9	21.0	- 2.1	29.8	20.6	+ 9.2	11.1	8.7	+ 2.4
1st quarter .....	330.4	276.5	+ 53.9	125.1	126.1	- 1.0	69.1	56.9	+ 12.2	91.8	62.6	+ 29.1	44.5	30.9	+ 13.6
April .....	118.8	105.9	+ 12.9	63.4	63.1	+ 0.2	18.9	15.3	+ 3.6	25.8	20.4	+ 5.4	10.7	7.1	+ 3.6
May .....	127.6	107.8	+ 19.8	68.4	43.2	+ 25.2	25.6	26.0	- 0.4	23.0	29.2	- 6.2	10.5	9.3	+ 1.2
June .....	113.8	108.2	+ 5.6	55.6	50.8	+ 4.8	20.2	24.4	- 4.2	29.7	26.3	+ 3.3	8.3	6.6	+ 1.6
2nd quarter .....	360.2	321.9	+ 38.3	187.4	157.2	+ 30.2	64.8	65.7	- 0.9	78.5	75.9	+ 2.6	29.5	23.1	+ 6.4
July .....	76.2	74.1	+ 2.1	27.4	37.7	- 10.3	23.8	18.4	+ 5.4	20.8	13.9	+ 7.0	4.1	4.1	-
August .....	54.0	61.5	- 7.5	26.4	34.2	- 7.8	11.6	10.3	+ 1.3	13.1	15.6	- 2.5	2.8	1.4	+ 1.4
September .....	67.7	77.7	- 10.0	28.3	29.3	- 1.0	22.5	32.8	- 10.2	14.7	14.4	+ 0.3	2.3	1.3	+ 0.9
3rd quarter .....	197.9	213.3	- 15.4	82.1	101.1	- 19.0	58.0	61.5	- 3.5	48.6	43.9	+ 4.7	9.2	6.8	+ 2.4
October .....	91.3	80.0	+ 11.3	34.2	40.2	- 6.0	33.0	18.8	+ 14.1	21.3	17.5	+ 3.8	2.8	3.5	- 0.7
November .....	79.7	81.7	- 2.0	30.0	38.1	- 8.2	25.9	20.7	+ 5.3	21.8	20.7	+ 1.1	2.0	2.2	- 0.2
December .....	51.7	75.7	- 24.0	17.0	31.6	- 14.7	20.3	21.4	- 1.1	13.3	20.7	- 7.4	1.2	2.0	- 0.8
4th quarter .....	222.7	237.4	- 14.7	81.1	110.0	- 28.9	79.2	60.9	+ 18.3	56.4	58.9	- 2.5	6.0	7.7	- 1.6
1970 - January .....	62.0	74.8	- 12.8	23.8	35.0	- 11.2	17.8	17.4	+ 0.4	18.2	19.4	- 1.2	2.2	3.0	- 0.8
February .....	63.0	63.3	- 0.3	15.7	24.8	- 9.1	23.5	18.5	+ 5.0	20.6	16.3	+ 4.3	3.2	3.7	- 0.5
March .....	74.0	61.1	+ 12.9	31.9	26.2	+ 5.7	16.4	14.3	+ 2.1	23.4	18.7	+ 4.7	2.3	1.9	+ 0.4
1st quarter .....	199.0	199.2	- 0.2	71.4	86.0	- 14.6	57.7	50.2	+ 7.5	62.2	54.4	+ 7.8	7.7	8.6	- 0.9
April .....															
May .....															
June .....															
2nd quarter .....															
July .....															
August .....															
September .....															
3rd quarter .....															
October .....															
November .....															
December .....															
4th quarter .....															

Note: Quarterly totals may include amounts related to transactions not allocable to a particular month.

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

(1) Transactions with countries other than the United States and United Kingdom in 1968 not further broken down.



TABLE 3. Trade in Outstanding Foreign Securities between Canada and Other Countries

Period	Total transactions			United States			United Kingdom			Other Europe			Other Countries		
	Sales to	Pur-chases from	Net sales + purch.-	Sales to	Pur-chases from	Net sales + purch.-	Sales to	Pur-chases from	Net sales + purch.-	Sales to	Pur-chases from	Net sales + purch.-	Sales to	Pur-chases from	Net sales + purch.-
millions of dollars															
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	(1)	(1)	(1)
1969 - Year .....	2,272.5	2,159.6	+ 112.9	2,208.4	2,095.8	+ 112.6	34.7	32.8	+ 1.9	17.7	17.6	+ 0.2	11.7	13.5	- 1.9
1970 - 3 months .....	517.9	400.0	+ 117.9	502.9	389.2	+ 113.7	10.2	6.0	+ 4.2	3.0	3.4	- 0.4	1.8	1.4	+ 0.4
1969 - January .....	189.5	225.9	- 36.5	181.2	217.7	- 36.5	4.8	4.9	- 0.1	2.3	1.6	+ 0.7	1.1	1.7	- 0.5
February .....	188.7	210.9	- 22.2	183.1	204.5	- 21.5	2.4	3.1	- 0.8	1.2	1.5	- 0.3	2.1	1.8	+ 0.3
March .....	175.4	159.2	+ 16.2	170.8	155.1	+ 15.7	2.1	2.0	+ 0.1	2.1	1.2	+ 0.9	0.4	0.8	- 0.4
1st quarter .....	560.5	609.3	- 48.8	542.0	590.6	- 48.6	9.3	10.1	- 0.7	5.6	4.3	+ 1.2	3.7	4.3	- 0.7
April .....	190.0	164.3	+ 25.7	184.5	159.5	+ 25.1	2.1	1.8	+ 0.4	2.1	2.0	+ 0.2	1.2	1.1	+ 0.1
May .....	212.1	270.4	- 58.3	204.4	263.6	- 59.2	2.6	2.6	-	3.4	3.4	-	1.7	0.8	+ 0.8
June .....	166.9	137.4	+ 29.5	165.6	133.8	+ 31.8	0.4	1.2	- 0.8	0.5	0.8	- 0.4	0.3	1.5	- 1.2
2nd quarter .....	572.6	578.8	- 6.2	558.2	563.5	- 5.3	5.1	5.6	- 0.5	6.0	6.2	- 0.2	3.2	3.4	- 0.3
July .....	160.2	113.6	+ 46.7	156.0	111.1	+ 44.9	1.4	1.2	+ 0.2	1.1	0.4	+ 0.6	1.8	0.9	+ 0.9
August .....	172.4	137.4	+ 35.0	168.1	133.7	+ 34.4	3.5	2.6	+ 0.9	0.4	0.8	- 0.4	0.4	0.3	+ 0.1
September .....	164.0	179.6	- 15.7	160.3	172.7	- 12.4	2.3	4.5	- 2.2	0.8	2.0	- 1.2	0.5	0.4	+ 0.1
3rd quarter .....	500.2	433.0	+ 67.3	488.0	419.8	+ 68.2	7.2	8.2	- 1.0	2.3	3.3	- 1.0	2.7	1.6	+ 1.2
October .....	230.7	216.4	+ 14.3	224.3	209.8	+ 14.5	5.3	4.7	+ 0.7	0.5	1.0	- 0.5	0.6	1.0	- 0.4
November .....	183.8	178.5	+ 5.3	176.8	173.3	+ 3.5	4.9	1.9	+ 2.9	1.3	1.0	+ 0.3	0.8	2.3	- 1.4
December .....	224.6	143.7	+ 80.9	219.1	138.7	+ 80.3	2.8	2.2	+ 0.5	2.1	1.7	+ 0.4	0.6	1.0	- 0.3
4th quarter .....	639.1	538.6	+ 100.5	620.1	521.8	+ 98.3	13.0	8.9	+ 4.1	3.9	3.7	+ 0.2	2.1	4.2	- 2.1
1970 - January .....	176.9	124.4	+ 52.5	171.5	119.5	+ 52.0	3.8	2.7	+ 1.1	0.9	1.7	- 0.8	0.7	0.5	+ 0.2
February .....	186.2	129.1	+ 57.1	182.3	125.5	+ 56.8	2.3	2.3	-	1.2	0.7	+ 0.5	0.4	0.6	- 0.2
March .....	154.8	146.5	+ 8.3	149.1	144.2	+ 4.9	4.1	1.0	+ 3.1	0.9	1.0	- 0.1	0.7	0.3	+ 0.4
1st quarter .....	517.9	400.0	+ 117.9	502.9	389.2	+ 113.7	10.2	6.0	+ 4.2	3.0	3.4	- 0.4	1.8	1.4	+ 0.4
April .....															
May .....															
June .....															
2nd quarter .....															
July .....															
August .....															
September .....															
3rd quarter .....															
October .....															
November .....															
December .....															
4th quarter .....															

Note: Quarterly totals may include amounts related to transactions not allocable to a particular month.

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

(1) Transactions with countries other than the United States and United Kingdom in 1968 not further broken down.

TABLE 3. Trade in Outstanding Securities between Canada and Other Countries

March 1970

Type of issue	Total sales	Total purchases	Net sales + purch. -	United States			United Kingdom			Other Europe			Other 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. -
millions of dollars															
<u>Grand total, Canadian and foreign securities ..</u>	228.8	207.6	+ 21.2	181.0	170.4	+ 10.6	20.5	15.3	+ 5.2	24.3	19.7	+ 4.6	3.0	2.2	+ 0.8
<u>Canadian securities, total</u>	74.0	61.1	+ 12.9	31.9	26.2	+ 5.7	16.4	14.3	+ 2.1	23.4	18.7	+ 4.7	2.3	1.9	+ 0.4
Bonds and debentures ....	13.0	10.5	+ 2.5	2.3	6.7	- 4.4	6.0	3.0	+ 3.0	4.4	0.5	+ 3.9	0.3	0.3	-
Common and pref'd stock	61.0	50.6	+ 10.4	29.6	19.5	+ 10.1	10.4	11.3	- 0.9	19.0	18.2	+ 0.8	2.0	1.6	+ 0.4
Other securities .....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Foreign securities, total</u>	154.8	146.5	+ 8.3	149.1	144.2	+ 4.9	4.1	1.0	+ 3.1	0.9	1.0	- 0.1	0.7	0.3	+ 0.4
United States issues:															
Bonds and debentures ....	11.4	9.5	+ 1.9	10.6	8.9	+ 1.7	0.4	0.3	+ 0.1	0.1	0.1	-	0.3	0.2	+ 0.1
Common and pref'd stock	141.4	134.8	+ 6.6	138.4	134.0	+ 4.4	2.3	0.1	+ 2.2	0.5	0.6	- 0.1	0.2	0.1	+ 0.1
United Kingdom issues:															
Bonds and debentures ....	0.1	1.4	- 1.3	-	1.3	- 1.3	0.1	-	+ 0.1	-	0.1	- 0.1	-	-	-
Common and pref'd stock	0.3	0.2	+ 0.1	-	-	-	0.3	0.2	+ 0.1	-	-	-	-	-	-
Other countries issues:															
Bonds and debentures ....	1.5	0.5	+ 1.0	0.1	-	+ 0.1	0.9	0.3	+ 0.6	0.3	0.2	+ 0.1	0.2	-	+ 0.2
Common and pref'd stock	0.1	0.1	-	-	-	-	0.1	0.1	-	-	-	-	-	-	-
Other foreign securities ..	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Analysis of bonds and debentures</u>															
Canadian issues:															
Gov't of Canada - Direct	4.7	3.3	+ 1.4	0.2	0.6	- 0.4	3.9	2.2	+ 1.7	0.6	0.3	+ 0.3	-	0.2	- 0.2
- Guar.	0.3	0.1	+ 0.2	-	-	-	-	-	-	0.3	0.1	+ 0.2	-	-	-
Provincial - Direct .....	2.9	3.1	- 0.2	0.5	2.7	- 2.2	0.7	0.4	+ 0.3	1.7	-	+ 1.7	-	-	-
- Guar. ....	1.1	1.2	- 0.1	0.4	1.1	- 0.7	0.3	0.1	+ 0.2	0.3	-	+ 0.3	0.1	-	+ 0.1
Municipal .....	1.3	1.4	- 0.1	0.3	1.2	- 0.9	0.3	0.1	+ 0.2	0.7	-	+ 0.7	-	0.1	- 0.1
Corporations .....	2.7	1.4	+ 1.3	0.9	1.1	- 0.2	0.8	0.2	+ 0.6	0.8	0.1	+ 0.7	0.2	-	+ 0.2
United States issues:															
Government .....	0.9	1.1	- 0.2	0.9	1.1	- 0.2	-	-	-	-	-	-	-	-	-
Eurobond .....	0.5	0.7	- 0.2	-	0.3	- 0.3	0.2	0.3	- 0.1	-	-	-	0.3	0.1	+ 0.2
Other .....	10.0	7.7	+ 2.3	9.7	7.5	+ 2.2	0.2	-	+ 0.2	0.1	0.1	-	-	0.1	- 0.1

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

Three months ending March 1970

Type of issue	Total sales	Total purchases	Net sales + purch. -	United States			United Kingdom			Other Europe			Other 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. -
millions of dollars															
<u>Grand total, Canadian and foreign securities ..</u>	716.9	599.2	+ 117.7	574.3	475.2	+ 99.1	67.9	56.2	+ 11.7	65.2	57.8	+ 7.4	9.5	10.0	- 0.5
<u>Canadian securities, total</u>	199.0	199.2	- 0.2	71.4	86.0	- 14.6	57.7	50.2	+ 7.5	62.2	54.4	+ 7.8	7.7	8.6	- 0.9
Bonds and debentures ....	40.4	36.4	+ 4.0	5.7	15.3	- 9.6	22.0	17.3	+ 4.7	11.9	2.8	+ 9.1	0.8	1.0	- 0.2
Common and pref'd stock	158.6	162.8	- 4.2	65.7	70.7	- 5.0	35.7	32.9	+ 2.8	50.3	51.6	- 1.3	6.9	7.6	- 0.7
Other securities .....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Foreign securities, total</u>	517.9	400.0	+ 117.9	502.9	389.2	+ 113.7	10.2	6.0	+ 4.2	3.0	3.4	- 0.4	1.8	1.4	+ 0.4
<u>United States issues:</u>															
Bonds and debentures ....	28.3	27.6	+ 0.7	25.4	24.9	+ 0.5	2.1	1.8	+ 0.3	0.5	0.5	-	0.3	0.4	- 0.1
Common and pref'd stock	483.4	367.3	+ 116.1	476.6	363.0	+ 113.6	3.4	1.2	+ 2.2	2.2	2.4	- 0.2	1.2	0.7	+ 0.5
<u>United Kingdom issues:</u>															
Bonds and debentures ....	0.2	1.6	- 1.4	-	1.3	- 1.3	0.2	0.1	+ 0.1	-	0.2	- 0.2	-	-	-
Common and pref'd stock	1.5	0.6	+ 0.9	0.4	-	+ 0.4	1.1	0.6	+ 0.5	-	-	-	-	-	-
<u>Other countries issues:</u>															
Bonds and debentures ....	3.8	2.4	+ 1.4	0.4	-	+ 0.4	2.8	1.9	+ 0.9	0.3	0.3	-	0.3	0.2	+ 0.1
Common and pref'd stock	0.7	0.5	+ 0.2	0.1	-	+ 0.1	0.6	0.4	+ 0.2	-	-	-	-	0.1	- 0.1
<u>Other foreign securities ..</u>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Analysis of bonds and debentures</u>															
<u>Canadian issues:</u>															
Gov't of Canada - Direct	19.9	17.8	+ 2.1	0.8	1.4	- 0.6	16.1	14.6	+ 1.5	2.9	1.4	+ 1.5	0.1	0.4	- 0.3
- Guar.	1.3	0.8	+ 0.5	-	0.1	- 0.1	0.5	0.3	+ 0.2	0.8	0.4	+ 0.4	-	-	-
Provincial - Direct .....	6.3	5.7	+ 0.6	2.2	4.5	- 2.3	2.0	1.1	+ 0.9	2.1	0.1	+ 2.0	-	-	-
- Guar. ....	5.8	3.4	+ 2.4	1.0	2.6	- 1.6	1.4	0.2	+ 1.2	3.2	0.6	+ 2.6	0.2	-	+ 0.2
Municipal .....	2.5	3.7	- 1.2	0.4	2.8	- 2.4	1.0	0.8	+ 0.2	1.1	-	+ 1.1	-	0.1	- 0.1
Corporations .....	4.6	5.0	- 0.4	1.3	3.9	- 2.6	1.0	0.3	+ 0.7	1.8	0.3	+ 1.5	0.5	0.5	-
<u>United States issues:</u>															
Government .....	2.6	3.1	- 0.5	2.6	3.1	- 0.5	-	-	-	-	-	-	-	-	-
Eurobond .....	1.9	4.0	- 2.1	0.1	2.0	- 1.9	1.3	1.4	- 0.1	0.2	0.4	- 0.2	0.3	0.2	+ 0.1
Other .....	23.8	20.5	+ 3.3	22.7	19.8	+ 2.9	0.8	0.4	+ 0.4	0.3	0.1	+ 0.2	-	0.2	- 0.2

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

TABLE 5. Trade in Outstanding Canadian Bonds and Debentures and Canadian Common and Preference Stocks between Canada and Other Countries

March 1970

Period	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. -
	millions of dollars											
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 - Year .....	223.7	222.1	+ 1.6	75.8	103.6	- 27.8	887.4	827.0	+ 60.4	400.0	390.8	+ 9.2
1970 - 3 months .....	40.4	36.4	+ 4.0	5.7	15.3	- 9.6	158.6	162.8	- 4.2	65.7	70.7	- 5.0
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
1st quarter .....	53.0	35.9	+ 17.1	17.0	15.2	+ 1.8	277.4	240.6	+ 36.8	108.1	110.9	- 2.8
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
2nd quarter .....	61.0	67.2	- 6.3	26.2	37.3	- 11.1	299.2	254.7	+ 44.5	161.3	119.9	+ 41.4
July .....	24.9	21.8	+ 3.1	8.4	9.9	- 1.5	51.3	52.3	- 1.0	19.0	27.7	- 8.8
August .....	12.0	13.9	- 1.9	6.2	9.7	- 3.5	42.0	47.7	- 5.7	20.3	24.5	- 4.2
September .....	18.3	31.2	- 12.9	4.1	10.3	- 6.1	49.4	46.5	+ 2.9	24.1	19.0	+ 5.1
3rd quarter .....	55.2	66.8	- 11.6	18.7	29.9	- 11.2	142.6	146.5	- 3.8	63.4	71.3	- 7.9
October .....	23.7	18.1	+ 5.7	6.6	8.8	- 2.2	67.5	61.9	+ 5.6	27.6	31.4	- 3.8
November .....	17.7	14.7	+ 3.0	5.0	5.8	- 0.8	62.0	67.0	- 5.0	25.0	32.3	- 7.3
December .....	13.1	19.4	- 6.3	2.3	6.6	- 4.3	38.6	56.3	- 17.7	14.6	25.0	- 10.4
4th quarter .....	54.5	52.1	+ 2.4	13.9	21.2	- 7.3	168.2	185.3	- 17.1	67.2	88.8	- 21.5
1970 - January .....	9.0	11.8	- 2.8	1.4	4.8	- 3.4	53.0	63.0	- 10.0	22.4	30.2	- 7.8
February .....	18.4	14.1	+ 4.3	2.0	3.8	- 1.8	44.6	49.2	- 4.6	13.7	21.0	- 7.3
March .....	13.0	10.5	+ 2.5	2.3	6.7	- 4.4	61.0	50.6	+ 10.4	29.6	19.5	+ 10.1
1st quarter .....	40.4	36.4	+ 4.0	5.7	15.3	- 9.6	158.6	162.8	- 4.2	65.7	70.7	- 5.0
April .....												
May .....												
June .....												
2nd quarter .....												
July .....												
August .....												
September .....												
3rd quarter .....												
October .....												
November .....												
December .....												
4th quarter .....												

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

Note: Quarterly totals may include amounts related to transactions not allocable to a particular month.

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



TABLE 6. Transactions in Canadian Securities between Canada and Other Countries

Type of issue	1968		1969				1970	
	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter
millions of dollars								
<u>Trade in Outstanding Canadian Securities between Canada and Other Countries</u>								
Bonds and debentures:								
Government of Canada - Direct .....	+ 8	- 11	+ 6	+ 10	-	+ 7	+ 23	+ 2
- Guaranteed .....	+ 3	- 7	-	+ 1	-	-	+ 1	-
Provincial government - Direct .....	- 9	- 33	- 4	- 8	- 10	- 5	- 27	+ 1
- Guaranteed .....	N.A.	N.A.	+ 10	+ 2	- 2	+ 3	+ 13	+ 2
Municipal government (including institutions) .....	-	- 6	- 3	- 1	- 1	- 1	- 6	- 1
Corporations .....	+ 5	- 12	+ 8	- 10	+ 1	- 2	- 3	-
Sub-totals, bonds and debentures .....	+ 7	- 69	+ 17	- 6	- 12	+ 2	+ 1	+ 4
Common and preference stocks .....	+ 53	+ 112	+ 37	+ 44	- 4	- 16	+ 61	- 4
Totals .....	+ 60	+ 43	+ 54	+ 38	- 16	- 14	+ 62	-
<u>Proceeds of New Issues of Canadian Securities Sold to Non-residents</u>								
Bonds and debentures:								
Government of Canada - Direct .....	27	290	16	9	5	4	34	2
- Guaranteed .....	-	-	-	-	-	-	-	-
Provincial government - Direct .....	197	861	326	210	330	199	1,065	158
- Guaranteed .....	31	124	43	87	44	9	183	97
Municipal government (including institutions) .....	91	597	178	120	178	103	579	50
Corporations .....	346	1,872	563	426	557	315	1,861	190
Sub-totals, bonds and debentures .....	346	1,872	563	426	557	315	1,861	497
Common and preference stocks .....	20	61	74	87	16	20	197	23
Totals .....	366	1,933	637	513	573	335	2,058	520
<u>Retirements of Canadian Securities Held by Non-residents</u>								
Bonds and debentures:								
Government of Canada - Direct .....	18	49	-	49	9	25	83	3
- Guaranteed .....	-	9	-	-	-	-	-	-
Provincial government - Direct .....	26	75	27	17	13	16	73	16
- Guaranteed .....	23	60	15	14	10	49	88	18
Municipal government (including institutions) .....	46	201	28	45	17	40	130	23
Corporations .....	113	394	70	125	49	130	374	26
Sub-totals, bonds and debentures .....	113	394	70	125	49	130	374	86
Common and preference stocks .....	1	1	-	1	-	-	1	-
Totals .....	114	395	70	126	49	130	375	86

TABLE 7. Offerings and Deliveries of New Issues of Canadian Bonds and Debentures Sold to Residents of the United States

	1968		1969				1970	
	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter
millions of dollars								
Undelivered balance, beginning of period .....	365	374	926	948	948	801	926	784
Offerings of current period .....	876	1,907	392	296	256	236	1,180	406
Sub-total .....	1,241	2,281	1,318	1,244	1,204	1,037	2,106	1,190
Less:								
Proceeds of offerings of current period .....	237	1,115	181	204	199	173	967	337
Proceeds of offerings of prior periods .....	78	240	189	92	204	80	355	82
Sub-total .....	315	1,355	370	296	403	253	1,322	419
Undelivered balance, end of period .....	926	926	948	948	801	784	784	

TABLE 8. International Transactions in Selected Canadian Short-Term Money Market Instruments(1)

Item	All countries						United States					
	Sales to		Repurchases and maturities		Net sales + repurch. -		Sales to		Repurchases and maturities		Net sales + repurch. -	
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
millions of dollars												
<u>Government of Canada Treasury Bills</u>												
First quarter .....	132	229	119	223	+ 13	+ 6	54	43	54	46	-	- 3
Second quarter .....	221		226		- 5		53		43		+ 10	
Third quarter .....	259		254		+ 5		89		90		- 1	
Fourth quarter .....	179		160		+ 19		4		6		- 2	
Year .....	791		759		+ 32		200		193		+ 7	
<u>Buy-back transactions(2)</u>												
First quarter .....	1	-	1	-	-	-	-	-	-	-	-	-
Second quarter .....	-		-		-		-		-		-	
Third quarter .....	14		14		-		-		-		-	
Fourth quarter .....	-		-		-		-		-		-	
Year .....	15		15		-		-		-		-	
<u>Finance company paper</u>												
First quarter .....	359	363	200	441	+ 159	- 78	346	357	192	441	+ 154	- 84
Second quarter .....	602		531		+ 71		596		514		+ 82	
Third quarter .....	575		646		- 71		567		638		- 71	
Fourth quarter .....	561		544		+ 17		547		524		+ 23	
Year .....	2,097		1,921		+ 176		2,056		1,868		+ 188	
<u>Commercial paper(3)</u>												
First quarter .....	43	..	44	..	- 1	+ 7	39	96	39	89	-	+ 7
Second quarter .....	68		45		+ 23		64		42		+ 22	
Third quarter .....	57		72		- 15		46		62		- 16	
Fourth quarter .....	124		88		+ 36		95		57		+ 38	
Year .....	292		249		+ 43		244		200		+ 44	
<u>Other short-term paper(4)</u>												
First quarter .....	75	29	77	30	- 2	- 1	60	29	73	30	- 13	- 1
Second quarter .....	33		53		- 20		31		38		- 7	
Third quarter .....	19		24		- 5		16		20		- 4	
Fourth quarter .....	48		24		+ 24		35		11		+ 24	
Year .....	175		178		- 3		142		142		-	
<u>Totals</u>												
First quarter .....	610	..	441	..	+ 169	- 65	499	526	358	606	+ 141	- 80
Second quarter .....	924		855		+ 69		744		637		+ 107	
Third quarter .....	924		1,010		- 86		718		810		- 92	
Fourth quarter .....	912		816		+ 96		681		598		+ 83	
Year .....	3,370		3,122		+ 248		2,642		2,403		+ 239	

(1) The classification "Other finance company obligations" previously included in this statement, consisting of bank loans and inter-company accounts, can be obtained from the "Quarterly Estimates of the Canadian Balance of International Payments" (DBS Catalogue No. 67-001), where a more comprehensive presentation and analysis on Canada's capital movements in short-term forms is given.

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

(3) Including bankers' acceptances.

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

TABLE 9. Selected Capital Market Statistics

Year & month	Stock prices		Selected capital market yields								Premium (+) or dis- count (-) on forward United States dollar(5)
	Canada DBS Investors' price index	United States Standard & Poor's "Standard 500"	Long-term			Short-term					
			Canadian industrials average(1)	Government of Canada average(2)	United States Government average(3)	Canadian finance company(2)	Euro- dollar(4)	Treasury bills			
								Canadian(2)	United States(2)	U.S. adj. to Canadian quotation basis	
	1956=100	1941-43=10									
1965 - March .....	180.0	86.83	5.50	5.06	4.15	4.38		3.62	3.92	4.01	- .30
June .....	174.0	85.04	5.64	5.16	4.14	4.75		3.93	3.78	3.87	- .41
September .....	175.5	85.32	5.83	5.32	4.25	5.15		4.13	3.98	4.08	+ .49
December .....	173.8	91.73	6.05	5.40	4.43	6.00		4.54	4.46	4.57	+ .69
1966 - March .....	175.0	88.88	6.22	5.58	4.63	5.98	N.A.	5.06	4.56	4.68	+ .21
June .....	170.6	86.06	6.30	5.66	4.63	6.18		5.00	4.44	4.55	+ .14
September .....	152.7	77.81	6.83	5.75	4.79	6.30		5.01	5.50	5.66	- .29
December .....	154.6	81.33	6.83	5.76	4.65	6.52		4.96	4.75	4.87	- .33
1967 - March .....	171.4	89.42	6.65	5.48	4.45	5.32		4.13	4.15	4.25	- .13
June .....	174.5	91.43	7.07	5.87	4.86	5.46		4.28	3.46	3.54	+ .25
September .....	181.0	95.81	7.43	6.19	4.99	5.86		4.76	4.63	4.75	+ 1.18
December .....	173.6	95.30	7.59	6.54	5.36	6.46	6.25	5.95	4.99	5.87	+ .50
1968 - March .....	157.7	89.09	7.93	6.91	5.39	7.26	6.25	6.98	5.19	5.33	+ 1.91
June .....	174.4	100.53	8.05	6.62	5.23	7.07	6.75	6.56	5.24	5.38	+ 1.26
September .....	187.8	101.34	7.82	6.60	5.09	6.10	6.19	5.66	5.15	5.29	+ .90
December .....	201.5	106.48	8.18	7.27	5.65	6.54	7.06	6.24	6.20	6.39	+ .37
1969 - March .....	198.0	99.30	8.43	7.22	6.05	6.92	8.44	6.58	5.95	6.12	- .58
June .....	198.3	99.14	8.89	7.50	6.06	7.67	10.50	7.13	6.52	6.72	- 1.58
September .....	194.7	94.51	8.91	7.81	6.32	8.26	11.31	7.77	7.16	7.39	- .50
December .....	199.3	91.11	9.29	8.33	6.81	8.97	10.13	7.81	8.10	8.38	- .06
1970 - January .....	199.0	90.31	9.32	8.31	6.86	8.65	9.56	7.78	7.89	8.16	+ .19
February .....	195.2	87.16	9.28	8.13	6.44	8.41	9.31	7.60	6.81	7.03	+ .28
March .....	199.5	88.65	9.24	7.93	6.39	7.74	8.50	7.00	6.26	6.45	+ .08
April .....											
May .....											
June .....											
July .....											
August .....											
September .....											
October .....											
November .....											
December .....											

(1) Source: McLeod, Young, Weir and Company Limited. Average term to maturity about 20 years; composition of portfolio available upon request from McLeod, Young, Weir and Company.

(2) Source: Bank of Canada. ) Treasury bill rates average of tenders on 90-day bills bid in last week of each month.

(3) Source: United States Federal Reserve Bulletin. ) United States bills quoted as percentage of maturity value for 360-day year. Long-term government averages include all issues due or callable in 10 years or more.

(4) Source: Morgan Guaranty Trust Company. Prime banks' bid for 3-month Euro-dollar deposits in London.

(5) Rates per annum computed on basis of average 90-day forward spread on the spot noon rates.

N.A. not available

STATISTICS CANADA LIBRARY  
BIBLIOTHÈQUE STATISTIQUE CANADA



1010511603