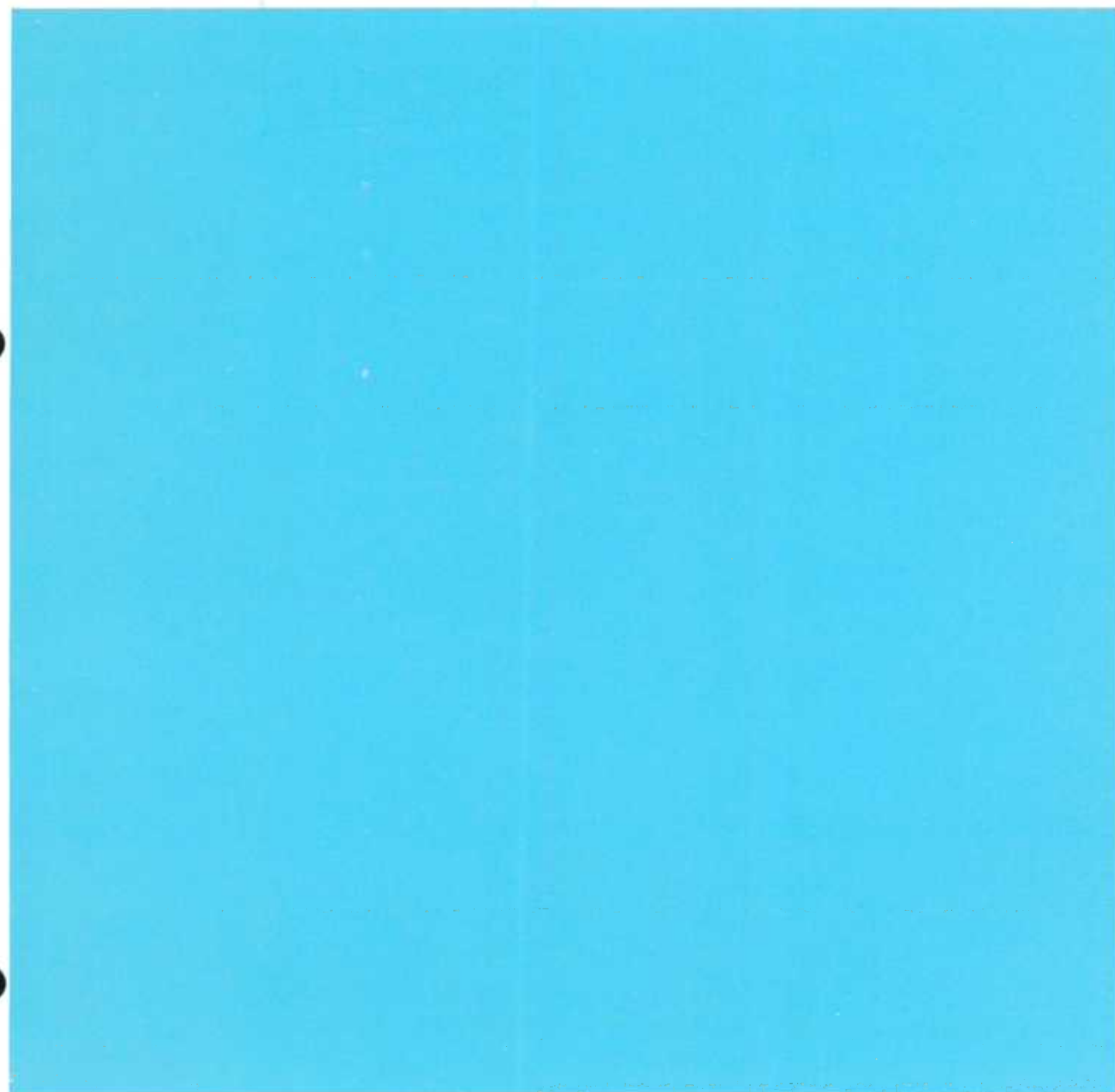


Sales and purchases of securities between Canada and other countries

JUNE 1972



STATISTICS CANADA
Balance of Payments and Financial Flows Division
Balance of Payments Section

SALES AND PURCHASES OF SECURITIES
BETWEEN CANADA AND OTHER COUNTRIES

JUNE 1972

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SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

Review of Security Transactions in the Second Quarter of 1972(1)

Transactions in all long-term portfolio securities between Canada and other countries resulted in an overall net inflow of \$608 million in the second quarter of 1971, up substantially from net inflows of \$258 million in the first quarter and \$19 million in the corresponding quarter of the previous year. While trading with residents of the United Kingdom resulted in a net outflow of \$34 million, net inflows of \$400 million and \$242 million were received from the United States and all other countries respectively.

Trading in outstanding Canadian issues led to a net capital inflow of \$19 million in the second quarter comprised of net inflows of \$35 million from trading in debt issues and net outflows of \$16 million attributable to transactions in equities. Geographically, net outflows of \$13 million and \$8 million to the United States and the United Kingdom respectively were more than offset by net inflows of \$11 million from continental Europe and \$29 million from all other countries. Transactions in Canadian equities resulted in net repurchases from residents of the United States and the United Kingdom and net sales to all other countries mainly in continental Europe.

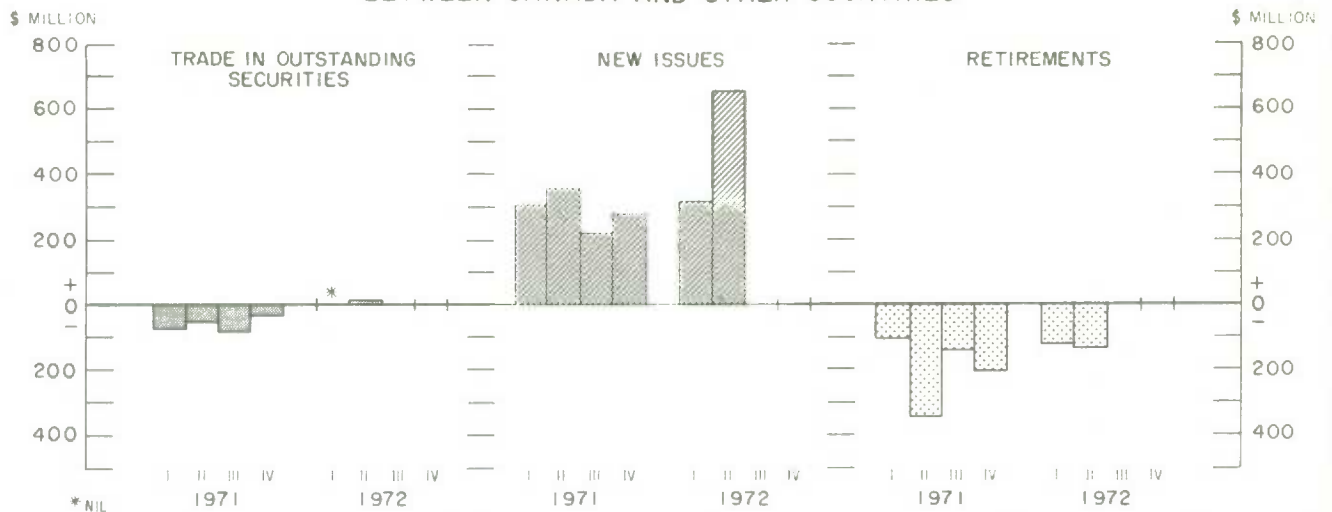
Security Transactions between Canada and Other Countries

Net sales (+) or purchases (-) by Canadians	1971				1972	
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter
	millions of dollars					
<u>Canadian securities:</u>						
Outstanding issues:						
Bonds etc.	- 31	- 23	- 22	- 18	+ 7	+ 35
Stocks	- 42	- 28	- 58	- 16	- 7	- 16
New issues	+ 304	+ 356	+ 221	+ 281	+ 314	+ 656
Retirements	- 107	- 348	- 141	- 208	- 126	- 136
<u>Foreign securities:</u>						
Outstanding issues	+ 49	+ 70	+ 68	+ 57	+ 78	+ 98
New issues	- 10	- 10	- 7	- 36	- 10	- 31
Retirements	+ 3	+ 2	+ 2	+ 3	+ 2	+ 2
Totals-All securities	+ 166	+ 19	+ 63	+ 63	+ 258	+ 608

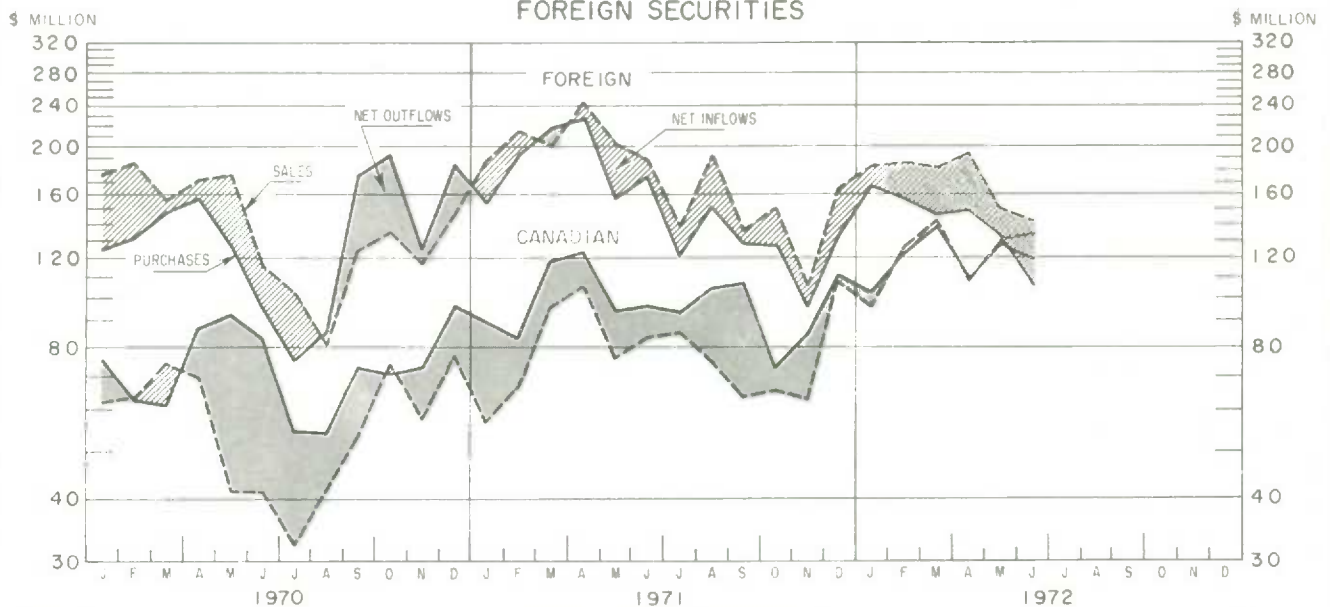
Sales of new issues of Canadian securities to non-residents amounted to \$656 million, more than double the figure recorded in the previous quarter and the largest since the second quarter of 1968 when the Government of Canada was a heavy borrower in foreign currencies to replenish international reserves. This increase occurred in a period when gross new issues of Canadian governments and corporations rose sharply to reach a level about 60 per cent higher than in the first quarter of the year. At the same time, long-term interest rate differentials between Canada and abroad, particularly for Euro-issues denominated in European currencies appeared to widen. More than \$200 million of the new issues were placed in the Euro-bond market with about \$160 million denominated in European currencies, mainly German marks. New issues of provincial governments and their enterprises sold abroad amounted to a record \$492 million and included issues placed in both the United States and European markets. Sales abroad of new Government of Canada and municipal issues at \$16 million and \$22 million respectively were not greatly changed from the previous quarter but new corporate issues acquired by non-residents rose by \$40 million to total \$122 million in the current quarter. While over 30 per cent of new bond sales were to residents of continental Europe, the United States continued to be the main supplier of debt capital accounting for about 65 per cent of such financing in the second quarter. The acquisition by non-residents of new stock issues amounted to a modest \$4 million.

(1) The data for this issue may contain revisions which were not available for the most recent quarterly publication of Quarterly Estimates of the Canadian Balance of International Payments (Catalogue No. 67-001).

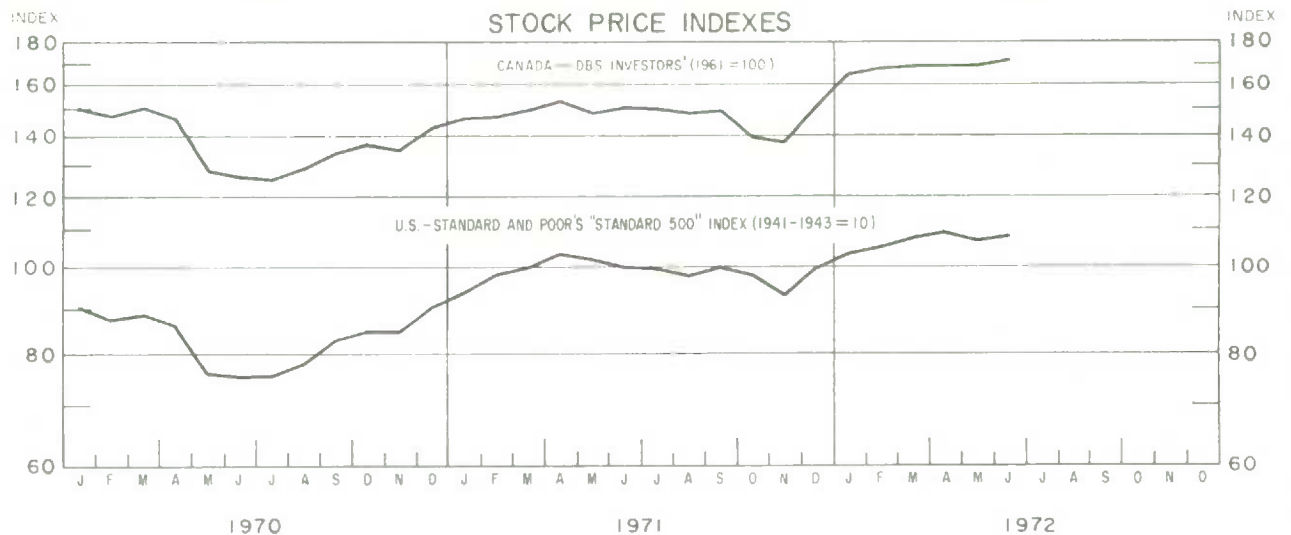
PORTFOLIO TRANSACTIONS IN CANADIAN SECURITIES BETWEEN CANADA AND OTHER COUNTRIES



INTERNATIONAL TRANSACTIONS IN OUTSTANDING CANADIAN AND FOREIGN SECURITIES



STOCK PRICE INDEXES



Retirements of foreign-held Canadian securities during the quarter resulted in an outflow from Canada of \$136 million, \$10 million above the amount recorded in the previous quarter. Maturities of corporate issues, mostly held by residents of the United States amounted to \$59 million while those of provincial and municipal direct and guaranteed issues led to capital outflows of \$39 million and \$30 million respectively. Of the total outflow for debt retirement, \$93 million went to residents of the United States, \$24 million to the United Kingdom and most of the remainder to continental Europe.

Trading in outstanding foreign issues led to a net inflow of \$98 million, an increase of \$20 million over the preceding quarter. Net sales by Canadians of United States equities continued and led to a net inflow of \$88 million, mainly from the United States. In the first six months of 1972, Canadians on balance reduced their holdings of foreign equities by \$171 million of which \$160 million were United States issues. Trading in all outstanding foreign securities led to a net outflow of \$1 million to continental Europe and net inflows of \$87 million, \$10 million and \$2 million from the United States, the United Kingdom and all other countries respectively.

New issues of foreign securities acquired by residents of Canada amounted to \$31 million, an increase of \$21 million over the first quarter purchases. Maturities of foreign securities held by Canadian residents led to an inflow to Canada of \$2 million.

Transactions in Outstanding Securities during June

Trading in outstanding securities between Canada and other countries during June led to a sales balance or net capital inflow of \$50 million, an increase of \$29 million over the net inflow recorded in the previous month. While transactions with continental European countries were in balance, net inflows of \$45 million, \$2 million and \$3 million resulted from trading with the United States, the United Kingdom and all other countries respectively.

Net sales of Canadian securities during the month resulted in an inflow of \$15 million. For the first time since October, 1971 a sales balance resulted from trade in Canadian securities with the United States and at \$12 million represented 80 per cent of the total. While overall trading in foreign securities was at a reduced level compared to the previous month, the sales balance or capital inflow was \$20 million higher and amounted to \$35 million. Canadians, on balance, sold \$37 million of United States equities, mainly to the United States.

International Transactions in Selected Canadian Money Market Instruments

International transactions in the Canadian money market during the second quarter gave rise to a net outflow of \$248 million compared to an inflow of \$263 million in the previous quarter. The reduction followed a substantial build-up in non-resident investment in these instruments. Covered interest rate differentials between Canada and the United States with the exception of commercial paper were generally positive but well below the levels in the preceding quarter for all types of money market instruments.

A net outflow of \$31 million resulted from trading in finance company paper (almost exclusively with residents of the United States) in contrast with a net inflow of \$104 million in the first quarter. The covered differential between Canadian instruments and those of the United States was not large enough to attract sufficient funds to offset the outflows resulting from maturing paper.

Transactions in commercial paper occurred almost exclusively with residents of the United States, who on balance accounted for \$89 million of the total net outflow of \$90 million. By comparison, transactions in the first quarter resulted in a net outflow of \$5 million. Maturities outpaced new issues of paper to non-residents by a margin greater than two to one as the hedged yield on Canadian paper remained less attractive vis-à-vis investment in United States instruments.

Transactions in other short-term paper (which includes mainly obligations of junior levels of government, banks, and mortgage loan companies) resulted in a net outflow of \$158 million, again almost all to the United States. Brisk trading during the first quarter especially in obligations of Canadian chartered banks resulted in a net inflow of \$164 million which was almost completely reversed in the second quarter. Gross repurchases of these instruments were approximately one third higher than gross sales.

Non-residents increased their holdings of Government of Canada treasury bills by \$31 million during the second quarter compared to an almost negligible net movement in the first quarter. Transactions with "other countries" (including international investment agencies) accounted for nearly all of the inflow.

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															
1970 - Year	712.9	897.1	- 184.2	264.0	412.3	- 148.3	191.8	227.1	- 35.3	213.5	219.5	- 6.0	43.6	38.2	+ 5.4
1971 - Year	942.0	1,180.3	- 238.3	401.7	514.9	- 113.2	210.8	321.4	- 110.6	253.1	275.9	- 22.8	76.4	68.1	+ 8.3
1972 - 6 months	738.7	719.5	+ 19.2	274.2	318.1	- 43.9	155.4	174.4	- 19.0	230.5	180.9	+ 49.6	78.6	46.1	+ 32.5
1971 - January	56.7	89.0	- 32.3	20.6	43.7	- 23.1	6.7	16.7	- 10.0	22.3	22.1	- 0.2	7.1	6.5	+ 0.6
February	66.2	83.7	- 17.5	22.9	28.0	- 5.1	9.6	24.9	- 15.3	27.6	26.4	+ 1.2	6.1	4.4	+ 1.7
March	95.3	118.8	- 23.5	41.5	46.1	- 4.6	18.8	36.4	- 17.6	26.4	28.8	- 2.4	8.6	7.5	+ 1.1
1st quarter	218.5	292.1	- 73.6	85.0	117.8	- 32.8	35.1	78.0	- 42.9	76.6	77.9	- 1.3	21.8	18.4	+ 3.4
April	105.2	123.4	- 18.2	48.3	57.8	- 9.5	19.7	26.2	- 6.5	27.1	31.0	- 3.9	10.1	8.4	+ 1.7
May	75.3	94.1	- 18.8	31.8	38.8	- 7.0	18.6	30.5	- 11.9	19.2	20.7	- 1.5	5.7	4.1	+ 1.6
June	83.5	96.3	- 12.8	32.1	47.1	- 15.0	27.6	23.1	+ 4.5	18.0	20.9	- 2.9	5.8	5.2	+ 0.6
2nd quarter	264.2	315.0	- 50.8	112.2	143.7	- 31.5	65.9	79.8	- 13.9	64.5	73.8	- 9.3	21.6	17.7	+ 3.9
July	85.2	93.1	- 7.9	42.6	39.8	+ 2.8	16.4	26.3	- 9.9	21.4	21.6	- 0.2	4.8	5.4	- 0.6
August	74.6	105.0	- 30.4	36.0	50.0	- 14.0	14.3	25.4	- 11.1	20.0	24.9	- 4.9	4.3	4.7	- 0.4
September	63.3	106.4	- 43.1	26.1	39.2	- 13.1	16.2	40.9	- 24.7	16.3	21.5	- 5.2	4.7	4.8	- 0.1
3rd quarter	224.2	304.5	- 80.3	104.7	129.0	- 24.3	46.9	92.6	- 45.7	57.7	68.0	- 10.3	14.9	14.9	-
October	65.1	72.5	- 7.4	31.1	31.0	+ 0.1	14.7	18.1	- 3.4	14.7	18.3	- 3.6	4.6	5.1	- 0.5
November	62.6	85.7	- 23.1	25.7	41.6	- 15.9	15.9	20.3	- 4.4	15.0	17.1	- 2.1	6.0	6.7	- 0.7
December	107.4	110.5	- 3.1	43.0	51.8	- 8.8	32.3	32.6	- 0.3	24.6	20.8	+ 3.8	7.5	5.3	+ 2.2
4th quarter	235.1	268.7	- 33.6	99.8	124.4	- 24.6	62.9	71.0	- 8.1	54.3	56.2	- 1.9	18.1	17.0	+ 1.0
1972 - January	96.0	103.0	- 7.0	35.4	49.3	- 13.9	19.5	22.6	- 3.1	33.4	23.6	+ 9.8	7.7	7.5	+ 0.2
February	126.4	122.3	+ 4.1	41.2	48.9	- 7.7	31.1	36.7	- 5.6	43.5	29.5	+ 14.0	10.6	7.2	+ 3.4
March	142.3	139.3	+ 3.0	53.4	62.7	- 9.3	33.6	36.0	- 2.4	46.7	32.1	+ 14.6	8.6	8.5	+ 0.1
1st quarter	364.7	364.6	+ 0.1	130.0	160.9	- 30.9	84.2	95.3	- 11.1	123.6	85.2	+ 38.4	26.9	23.2	+ 3.7
April	107.9	108.1	- 0.2	43.6	46.7	- 3.1	23.3	22.2	+ 1.1	33.8	33.0	+ 0.8	7.2	6.2	+ 1.0
May	131.8	127.1	+ 4.7	44.6	66.3	- 21.7	17.7	27.4	- 9.7	36.3	26.3	+ 10.0	33.2	7.1	+ 26.1
June	134.3	119.7	+ 14.6	56.0	44.2	+ 11.8	30.2	29.5	+ 0.7	36.8	36.4	+ 0.4	11.3	9.6	+ 1.7
2nd quarter	374.0	354.9	+ 19.1	144.2	157.2	- 13.0	71.2	79.1	- 7.9	106.9	95.7	+ 11.2	51.7	22.9	+ 28.8
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.

TABLE 2. Trade in Outstanding Foreign 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															
1970 - Year	1,754.9	1,656.2	+ 98.7	1,663.6	1,582.2	+ 81.4	40.2	36.2	+ 4.0	28.2	19.0	+ 9.2	22.9	18.8	+ 4.1
1971 - Year	2,145.3	1,900.9	+ 244.4	2,038.2	1,781.8	+ 256.4	35.8	40.3	- 4.5	35.5	38.5	- 3.0	35.8	40.3	- 4.5
1972 - 6 months	1,035.1	859.3	+ 175.8	964.1	800.4	+ 163.7	32.1	23.3	+ 8.8	22.5	22.6	- 0.1	16.4	13.0	+ 3.4
1971 - January	188.1	153.5	+ 34.6	182.9	147.3	+ 35.6	1.1	3.5	- 2.4	2.1	1.6	+ 0.5	2.0	1.1	+ 0.9
February	215.6	191.0	+ 24.6	203.8	180.9	+ 22.9	4.2	3.8	+ 0.4	3.9	3.7	+ 0.2	3.7	2.6	+ 1.1
March	200.1	219.9	- 19.8	191.0	209.5	- 18.5	3.5	3.4	+ 0.1	3.3	2.8	+ 0.5	2.3	4.2	- 1.9
1st quarter	615.9	566.6	+ 49.3	589.2	539.6	+ 49.6	9.2	10.7	- 1.5	9.6	8.2	+ 1.4	7.9	8.1	- 0.2
April	245.4	227.0	+ 18.4	238.9	216.0	+ 22.9	1.9	4.2	- 2.3	2.7	3.8	- 1.1	1.9	3.0	- 1.1
May	200.8	158.2	+ 42.6	191.5	146.7	+ 44.8	1.9	4.7	- 2.8	2.6	4.0	- 1.4	4.8	2.8	+ 2.0
June	188.9	173.7	+ 15.2	182.6	157.8	+ 24.8	2.6	4.8	- 2.2	1.4	1.4	-	2.3	9.7	- 7.4
2nd quarter	637.3	567.1	+ 70.2	613.1	525.5	+ 87.6	6.4	13.7	- 7.3	6.7	9.2	- 2.5	11.1	18.7	- 7.6
July	139.8	120.2	+ 19.6	130.9	108.1	+ 22.8	3.6	2.7	+ 0.9	3.1	7.0	- 3.9	2.2	2.4	- 0.2
August	190.7	150.3	+ 40.4	179.2	139.3	+ 39.9	4.2	3.2	+ 1.0	4.6	4.0	+ 0.6	2.7	3.8	- 1.1
September	137.5	129.8	+ 7.7	130.3	122.6	+ 7.7	2.4	3.9	- 1.5	2.3	1.6	+ 0.7	2.5	1.7	+ 0.8
3rd quarter	469.0	401.4	+ 67.6	441.1	371.0	+ 70.1	10.3	9.9	+ 0.4	10.0	12.6	- 2.6	7.6	7.9	- 0.3
October	150.0	129.3	+ 20.7	140.1	123.6	+ 16.5	2.6	1.6	+ 1.0	2.6	1.9	+ 0.7	4.7	2.2	+ 2.5
November	106.9	96.6	+ 10.3	98.8	90.8	+ 8.0	2.4	2.4	-	4.4	2.2	+ 2.2	1.3	1.2	+ 0.1
December	165.6	133.6	+ 32.0	155.6	126.4	+ 29.2	4.6	1.9	+ 2.7	2.2	3.1	- 0.9	3.2	2.2	+ 1.0
4th quarter	423.1	365.8	+ 57.3	394.8	345.7	+ 49.1	9.9	6.0	+ 3.9	9.2	8.5	+ 0.7	9.2	5.6	+ 3.6
1972 - January	182.4	166.5	+ 15.9	171.2	155.9	+ 15.3	4.3	4.9	- 0.6	3.9	3.8	+ 0.1	3.0	1.9	+ 1.1
February	185.4	158.0	+ 27.4	176.0	146.6	+ 29.4	4.0	5.2	- 1.2	2.7	2.7	-	2.7	3.5	- 0.8
March	180.6	146.4	+ 34.2	170.0	137.9	+ 32.1	2.9	3.0	- 0.1	5.5	4.7	+ 0.8	2.2	0.8	+ 1.4
1st quarter	548.4	470.9	+ 77.5	517.2	440.4	+ 76.8	11.2	13.1	- 1.9	12.1	11.2	+ 0.9	7.9	6.2	+ 1.7
April	194.7	148.2	+ 46.5	177.5	134.8	+ 42.7	7.6	4.8	+ 2.8	5.9	6.5	- 0.6	3.7	2.1	+ 1.6
May	149.2	133.9	+ 15.3	137.8	127.1	+ 10.7	7.4	2.1	+ 5.3	1.9	1.9	-	2.1	2.8	- 0.7
June	140.8	105.9	+ 34.9	131.1	97.7	+ 33.4	4.4	3.3	+ 1.1	2.6	3.0	- 0.4	2.7	1.9	+ 0.8
2nd quarter	486.7	388.4	+ 98.3	446.9	360.0	+ 86.9	20.9	10.2	+ 10.7	10.4	11.4	- 1.0	8.5	6.8	+ 1.7
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.

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

June 1972

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>	275.1	225.6	+ 49.5	187.1	141.9	+ 45.2	34.6	32.8	+ 1.8	39.4	39.4	-	14.0	11.5	+ 2.5
<u>Canadian securities, total</u>	134.3	119.7	+ 14.6	56.0	44.2	+ 11.8	30.2	29.5	+ 0.7	36.8	36.4	+ 0.4	11.3	9.6	+ 1.7
Bonds and debentures	22.9	23.6	- 0.7	5.4	7.9	- 2.5	9.1	8.0	+ 1.1	6.4	6.8	- 0.4	2.0	0.9	+ 1.1
Common and pref'd stock	111.4	96.1	+ 15.3	50.6	36.3	+ 14.3	21.1	21.5	- 0.4	30.4	29.6	+ 0.8	9.3	8.7	+ 0.6
Other securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Foreign securities, total</u>	140.8	105.9	+ 34.9	131.1	97.7	+ 33.4	4.4	3.3	+ 1.1	2.6	3.0	- 0.4	2.7	1.9	+ 0.8
United States issues:															
Bonds and debentures	7.9	11.7	- 3.8	5.2	9.1	- 3.9	1.3	1.4	- 0.1	1.0	1.1	- 0.1	0.4	0.1	+ 0.3
Common and pref'd stock	126.2	88.8	+ 37.4	124.8	86.7	+ 38.1	0.2	0.6	- 0.4	0.6	0.8	- 0.2	0.6	0.7	- 0.1
United Kingdom issues:															
Bonds and debentures	0.2	0.2	-	-	-	-	-	-	-	0.2	0.2	-	-	-	-
Common and pref'd stock	2.5	1.7	+ 0.8	0.4	1.2	- 0.8	2.1	0.5	+ 1.6	-	-	-	-	-	-
Other countries issues:															
Bonds and debentures	0.7	0.9	- 0.2	-	-	-	0.3	0.4	- 0.1	0.2	0.4	- 0.2	0.2	0.1	+ 0.1
Common and pref'd stock	3.0	2.3	+ 0.7	0.4	0.4	-	0.5	0.4	+ 0.1	0.6	0.5	+ 0.1	1.5	1.0	+ 0.5
Other foreign securities ..	0.3	0.3	-	0.3	0.3	-	-	-	-	-	-	-	-	-	-
<u>Analysis of bonds and debentures</u>															
Canadian issues:															
Gov't of Canada - Direct	8.6	8.3	+ 0.3	0.9	0.2	+ 0.7	6.2	6.8	- 0.6	0.8	0.6	+ 0.2	0.7	0.7	-
- Guar.	0.6	1.7	- 1.1	0.3	1.3	- 1.0	0.2	-	+ 0.2	-	0.4	- 0.4	0.1	-	+ 0.1
Provincial - Direct	1.8	1.7	+ 0.1	-	0.6	- 0.6	0.1	0.2	- 0.1	1.4	0.9	+ 0.5	0.3	-	+ 0.3
- Guar.	8.9	2.9	+ 6.0	2.9	0.6	+ 2.3	2.3	0.3	+ 2.0	2.9	1.9	+ 1.0	0.8	0.1	+ 0.7
Municipal	0.3	3.4	- 3.1	-	3.3	- 3.3	-	-	-	0.3	-	+ 0.3	-	0.1	- 0.1
Corporations	2.7	5.6	- 2.9	1.3	1.9	- 0.6	0.3	0.7	- 0.4	1.0	3.0	- 2.0	0.1	-	+ 0.1
United States issues:															
Government	0.2	0.2	-	0.2	0.2	-	-	-	-	-	-	-	-	-	-
Eurobond	0.9	1.7	- 0.8	0.2	1.0	- 0.8	0.2	0.4	- 0.2	0.2	0.2	-	0.3	0.1	+ 0.2
Other	6.8	9.8	- 3.0	4.8	7.9	- 3.1	1.1	1.0	+ 0.1	0.8	0.9	- 0.1	0.1	-	+ 0.1

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

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

Six Months Ending June 30, 1972

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															
Grand total, Canadian and foreign securities ..	1,773.8	1,578.8	+ 195.0	1,238.3	1,118.5	+ 119.8	187.5	197.7	- 10.2	253.0	203.5	+ 49.5	95.0	59.1	+ 35.9
Canadian securities, total	738.7	719.5	+ 19.2	274.2	318.1	- 43.9	155.4	174.4	- 19.0	230.5	180.9	+ 49.6	78.6	46.1	+ 32.5
Bonds and debentures	177.2	134.9	+ 42.3	35.0	54.0	- 19.0	65.3	49.6	+ 15.7	40.6	26.0	+ 14.6	36.3	5.3	+ 31.0
Common and pref'd stock	561.5	584.6	- 23.1	239.2	264.1	- 24.9	90.1	124.8	- 34.7	189.9	154.9	+ 35.0	42.3	40.8	+ 1.5
Other securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign securities, total	1,035.1	859.3	175.8	964.1	800.4	+ 163.7	32.1	23.3	+ 8.8	22.5	22.6	- 0.1	16.4	13.0	+ 3.4
United States issues:															
Bonds and debentures	57.5	55.2	+ 2.3	41.4	41.2	+ 0.2	9.4	7.5	+ 1.9	4.8	5.7	- 0.9	1.9	0.8	+ 1.1
Common and pref'd stock	928.3	767.7	+ 160.6	914.0	751.4	+ 162.6	4.2	3.4	+ 0.8	5.9	7.5	- 1.6	4.2	5.4	- 1.2
United Kingdom issues:															
Bonds and debentures	4.6	3.2	+ 1.4	-	-	-	1.3	1.1	+ 0.2	3.1	2.1	+ 1.0	0.2	-	+ 0.2
Common and pref'd stock	12.5	6.0	+ 6.5	2.5	1.6	+ 0.9	9.8	3.5	+ 6.3	-	-	-	0.2	0.9	- 0.7
Other countries issues:															
Bonds and debentures	11.3	11.7	- 0.4	0.3	0.6	- 0.3	4.4	6.0	- 1.6	5.2	4.7	+ 0.5	1.4	0.4	+ 1.0
Common and pref'd stock	20.2	14.7	+ 5.5	5.2	4.8	+ 0.4	3.0	1.8	+ 1.2	3.5	2.6	+ 0.9	8.5	5.5	+ 3.0
Other foreign securities ..	0.7	0.8	- 0.1	0.7	0.8	- 0.1	-	-	-	-	-	-	-	-	-
Analysis of bonds and debentures															
Canadian issues:															
Gov't of Canada - Direct	87.9	49.8	+ 38.1	7.8	2.8	+ 5.0	51.3	39.8	+ 11.5	4.8	4.5	+ 0.3	24.0	2.7	+ 21.3
- Guar.	5.6	3.6	+ 2.0	2.3	1.8	+ 0.5	1.9	0.5	+ 1.4	0.7	1.3	- 0.6	0.7	-	+ 0.7
Provincial - Direct	17.7	9.7	+ 8.0	2.3	7.1	- 4.8	2.0	0.5	+ 1.5	12.7	2.1	+ 10.6	0.7	-	+ 0.7
- Guar.	35.0	25.2	+ 9.8	10.7	15.1	- 4.4	6.1	4.5	+ 1.6	12.2	4.9	+ 7.3	6.0	0.7	+ 5.3
Municipal	4.3	13.9	- 9.6	1.3	12.8	- 11.5	0.6	0.2	+ 0.4	2.1	0.8	+ 1.3	0.3	0.1	+ 0.2
Corporations	26.7	32.7	- 6.0	10.6	14.4	- 3.8	3.4	4.1	- 0.7	8.1	12.4	- 4.3	4.6	1.8	+ 2.8
United States issues:															
Government	0.9	1.3	- 0.4	0.9	1.1	- 0.2	-	-	-	-	0.2	- 0.2	-	-	-
Eurobond	9.4	8.8	+ 0.6	0.3	1.2	- 0.9	6.1	3.5	+ 2.6	2.1	3.6	- 1.5	0.9	0.5	+ 0.4
Other	47.2	45.1	+ 2.1	40.2	38.9	+ 1.3	3.3	4.0	- 0.7	2.7	1.9	+ 0.8	1.0	0.3	+ 0.7

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

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											
1970 - Year	194.0	232.5	- 38.5	53.1	122.0	- 68.9	518.9	664.6	- 145.7	210.9	290.3	- 79.4
1971 - Year	216.7	310.8	- 94.1	74.6	147.0	- 72.4	725.3	869.5	- 144.2	327.1	367.9	- 40.8
1972 - 6 months	177.2	134.9	+ 42.3	35.0	54.0	- 19.0	561.5	584.6	- 23.1	239.2	264.1	- 24.9
1971 - January	12.8	21.4	- 8.6	4.2	10.8	- 6.6	43.9	67.6	- 23.7	16.4	32.9	- 16.5
February	11.3	19.7	- 8.4	3.5	6.2	- 2.7	54.9	64.0	- 9.1	19.4	21.8	- 2.4
March	20.4	34.4	- 14.0	7.7	13.9	- 6.2	74.9	84.4	- 9.5	33.8	32.2	+ 1.6
1st quarter	44.8	76.1	- 31.3	15.4	30.9	- 15.5	173.7	216.0	- 42.3	69.6	86.9	- 17.3
April	23.9	32.3	- 8.4	11.6	20.5	- 8.9	81.3	91.1	- 9.8	36.7	37.3	- 0.6
May	15.9	24.5	- 8.6	5.1	8.6	- 3.5	59.4	69.6	- 10.2	26.7	30.2	- 3.5
June	20.3	26.5	- 6.2	6.0	16.0	- 10.0	63.2	69.8	- 6.6	26.1	31.1	- 5.0
2nd quarter	60.1	83.3	- 23.2	22.7	45.1	- 22.4	204.1	231.7	- 27.6	89.5	98.6	- 9.1
July	14.9	15.6	- 0.7	7.2	7.8	- 0.6	70.3	77.5	- 7.2	35.4	32.0	+ 3.4
August	14.8	26.9	- 12.1	5.0	14.0	- 9.0	59.8	78.1	- 18.3	31.0	36.0	- 5.0
September	13.4	22.3	- 8.9	2.7	8.8	- 6.1	49.9	84.1	- 34.2	23.4	30.4	- 7.0
3rd quarter	43.1	64.8	- 21.7	14.9	30.6	- 15.7	181.1	239.7	- 58.6	89.8	98.4	- 8.6
October	15.8	18.7	- 2.9	6.3	9.5	- 3.2	49.3	53.8	- 4.5	24.8	21.5	+ 3.3
November	14.4	26.7	- 12.3	4.7	14.8	- 10.1	48.2	59.0	- 10.8	21.0	26.8	- 5.8
December	38.5	41.2	- 2.7	10.6	16.1	- 5.5	68.9	69.3	- 0.4	32.4	35.7	- 3.3
4th quarter	68.7	86.6	- 17.9	21.6	40.4	- 18.8	166.4	182.1	- 15.7	78.2	84.0	- 5.8
1972 - January	20.2	18.2	+ 2.0	7.6	9.2	- 1.6	75.8	84.8	- 9.0	27.8	40.1	- 12.3
February	32.6	29.5	+ 3.1	5.8	10.5	- 4.7	93.8	92.8	+ 1.0	35.4	38.4	- 3.0
March	35.2	32.9	+ 2.3	8.9	15.2	- 6.3	107.1	106.4	+ 0.7	44.5	47.5	- 3.0
1st quarter	88.0	80.6	+ 7.4	22.3	34.9	- 12.6	276.7	284.0	- 7.3	107.7	126.0	- 18.3
April	24.4	13.7	+ 10.7	3.0	4.0	- 1.0	83.5	94.4	- 10.9	40.6	42.7	- 2.1
May	41.9	17.0	+ 24.9	4.3	7.2	- 2.9	89.9	110.1	- 20.2	40.3	59.1	- 18.8
June	22.9	23.6	- 0.7	5.4	7.9	- 2.5	111.4	96.1	+ 15.3	50.6	36.3	+ 14.3
2nd quarter	89.2	54.3	+ 34.9	12.7	19.1	- 6.4	284.8	300.6	- 15.8	131.5	138.1	- 6.6
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	1970	1971					1972	
	Total	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total	First Quarter	Second Quarter
millions of dollars								
<u>Trade in Outstanding Canadian Securities between Canada and Other Countries</u>								
Bonds and debentures:								
Government of Canada - Direct	- 18	- 20	- 3	- 7	+ 1	- 29	+ 11	+ 27
- Guaranteed	- 3	- 3	- 2	- 1	- 2	- 8	+ 3	- 1
Provincial government - Direct	- 11	- 3	- 7	- 2	- 5	- 17	+ 7	+ 1
- Guaranteed	+ 6	- 2	+ 3	- 1	- 4	- 4	- 2	+ 12
Municipal government (including institutions)	- 7	- 1	- 4	- 4	- 1	- 10	- 6	- 4
Corporations	- 6	- 2	- 10	- 7	- 7	- 26	- 6	-
Sub-totals, bonds and debentures	- 39	- 31	- 23	- 22	- 18	- 94	+ 7	+ 35
Common and preference stocks	- 145	- 42	- 28	- 58	- 16	- 144	- 7	- 16
Totals	- 184	- 73	- 51	- 80	- 34	- 238	-	+ 19
<u>Proceeds of New Issues of Canadian Securities Sold to Non-residents</u>								
Bonds and debentures:								
Government of Canada - Direct	26	3	7	8	9	27	3	16
- Guaranteed	-	-	3	-	-	3	-	-
Provincial government - Direct	319	65	216	49	37	367	53	377
- Guaranteed	208	131	5	60	161	357	129	115
Municipal government (including institutions)	64	5	12	-	9	26	20	22
Corporations	540	96	103	102	62	363	81	122
Sub-totals, bonds and debentures	1,157	300	346	219	278	1,143	286	652
Common and preference stocks	70	4	10	2	3	19	28	4
Totals	1,227	304	356	221	281	1,162	314	656
<u>Retirements of Canadian Securities Held by Non-residents</u>								
Bonds and debentures:								
Government of Canada - Direct	- 157	- 1	- 9	- 1	- 9	- 20	-	- 8
- Guaranteed	-	-	-	-	- 10	- 10	-	-
Provincial government - Direct	- 42	- 12	- 166	- 23	- 34	- 235	- 31	- 34
- Guaranteed	- 69	- 12	- 33	- 24	- 22	- 91	- 30	- 5
Municipal government (including institutions)	- 92	- 24	- 23	- 27	- 25	- 99	- 24	- 30
Corporations	- 188	- 58	- 116	- 65	- 106	- 345	- 41	- 59
Sub-totals, bonds and debentures	- 548	- 107	- 347	- 140	- 206	- 800	- 126	- 136
Common and preference stocks	- 4	-	- 1	- 1	- 2	- 4	-	-
Totals	- 552	- 107	- 348	- 141	- 208	- 804	- 126	- 136

TABLE 8. Offerings and Deliveries of New Issues of Canadian Bonds and Debentures Sold to Residents of the United States

	1970	1971					1972	
	Total	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total	First Quarter	Second Quarter
millions of dollars								
Undelivered balance, beginning of period	775	420	297	260	265	420	139	142
Offerings of current period	623	85	275	158	49	567	246	417
Sub-total	1,398	505	572	418	314	987	385	559
Deduct:								
Proceeds of offerings of current period	543	85	262	63	49	564	231	380
Proceeds of offerings of prior periods	435	123	50	90	126	284	12	41
Sub-total	978	208	312	153	175	848	243	421
Undelivered balance, end of period	420	297	260	265	139	139	142	138

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. -	
	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972
millions of dollars												
<u>Buy-back transactions(2)</u>												
First quarter	-	-	-	-	-	-	-	-	-	-	-	-
Second quarter	-	-	-	-	-	-	-	-	-	-	-	-
Third quarter	-	-	-	-	-	-	-	-	-	-	-	-
Fourth quarter	-	-	-	-	-	-	-	-	-	-	-	-
Year	-	-	-	-	-	-	-	-	-	-	-	-
<u>Finance company paper</u>												
First quarter	555	838	627	734	- 72	+ 104	553	838	590	733	- 37	+ 105
Second quarter	700	715	709	746	- 9	- 31	697	714	675	745	+ 22	- 31
Third quarter	735		752		- 17		735		750		- 15	
Fourth quarter	684		617		+ 67		682		613		+ 69	
Year	2,674		2,705		- 31		2,667		2,628		+ 39	
<u>Commercial paper(3)</u>												
First quarter	163	332	194	337	- 31	- 5	153	329	184	334	- 31	- 5
Second quarter	220	78	201	168	+ 19	- 90	216	76	196	165	+ 20	- 30
Third quarter	317		283		+ 34		312		278		+ 34	
Fourth quarter	290		275		+ 15		286		271		+ 15	
Year	990		953		+ 37		967		929		+ 38	
<u>Other short-term paper(4)</u>												
First quarter	32	572	75	408	- 43	+ 164	28	571	73	408	- 45	+ 163
Second quarter	52	280	57	438	- 5	- 158	49	277	53	434	- 4	- 157
Third quarter	57		48		+ 9		55		44		+ 11	
Fourth quarter	252		138		+ 114		246		133		+ 113	
Year	393		318		+ 75		378		303		+ 75	
<u>Government of Canada Treasury Bills</u>												
First quarter	31	131	30	131	+ 1	-	11	49	11	49	-	-
Second quarter	64	42	68	11	- 4	+ 31	18	2	18	2	-	-
Third quarter	133		119		+ 14		41		38		+ 3	
Fourth quarter	166		180		- 14		20		22		- 2	
Year	394		397		- 3		90		89		+ 1	
<u>Totals</u>												
First quarter	781	1,874	926	1,611	- 145	+ 263	745	1,787	858	1,524	- 113	+ 263
Second quarter	1,036	1,115	1,035	1,361	+ 1	- 248	980	1,069	942	1,346	+ 38	- 277
Third quarter	1,242		1,202		+ 40		1,143		1,110		+ 33	
Fourth quarter	1,392		1,210		+ 182		1,234		1,039		+ 195	
Year	4,451		4,373		+ 78		4,102		3,949		+ 153	

(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" (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

Period	Stock prices		Selected capital market yields								Forward premium(+) or discount(-) U.S. dollar in Canada 90 - day (2) (7)
	Statistics Canada Investors' index 1961=100	United States Standard & Poor's "Standard 500" 1941-43=10	Long-term			Short-term(2)					
			Canadian industrials average (1) (4)	Government of Canada average (2) (5)	United States Government average (3) (6)	Finance company paper 90 - day		Treasury bills 90 - day		Euro-dollars (7)	
						Canadian (7)	United States(7)	Canadian(8)	United States(9)		
1968 - March	118.9	89.09	7.93	6.91	5.42	7.39	5.65	6.98	5.33	6.39	1.61
June	131.5	100.53	8.05	6.62	5.15	7.20	6.29	6.56	5.38	6.75	0.68
September	141.6	101.34	7.82	6.60	5.09	6.19	5.78	5.66	5.29	5.75	0.91
December	151.9	106.48	8.18	7.30	5.82	6.65	6.18	6.24	6.39	7.38	0.42
1969 - March	149.2	99.30	8.43	7.22	6.07	7.04	6.57	6.58	6.12	8.44	- 0.90
June	149.5	99.14	8.89	7.50	6.04	7.82	7.49	7.13	6.73	11.25	- 1.87
September	146.8	94.51	8.91	7.81	6.41	8.43	7.89	7.77	7.45	10.62	- 0.45
December	156.2	91.11	9.29	8.33	6.92	9.17	8.29	7.81	8.38	10.19	0.15
1970 - March	150.3	88.65	9.24	7.93	6.33	7.89	7.67	7.00	6.45	8.78	- 0.04
June	126.1	75.59	9.24	8.09	6.59	7.31	7.62	5.94	6.83	9.25	- 1.41
September	134.6	82.58	9.19	7.88	6.52	6.68	6.96	5.39	5.98	8.53	- 1.00
December	142.5	90.05	8.83	6.99	6.05	5.58	5.51	4.44	4.96	6.72	0.20
1971 - January	146.2	93.49	8.19	6.67	5.78	5.61	4.61	4.68	4.30	5.63	1.24
February	146.7	97.11	8.30	6.85	5.92	5.08	4.23	4.06	3.58	5.31	1.05
March	149.5	99.60	8.37	6.76	5.54	3.53	4.10	3.16	3.60	5.38	- 0.20
April	153.1	103.04	8.43	6.97	5.82	3.83	4.54	3.00	3.96	6.13	- 0.88
May	148.5	101.64	8.47	7.38	5.90	4.09	5.13	3.03	4.59	7.19	- 1.13
June	150.6	99.72	8.52	7.30	5.98	3.98	5.52	3.37	5.22	6.56	- 1.27
July	150.0	99.00	8.56	7.49	5.96	4.51	5.53	3.68	5.71	6.62	- 1.47
August	148.2	97.24	8.41	7.15	5.70	4.61	5.52	3.79	4.87	8.50	- 1.16
September	149.4	99.40	8.32	6.97	5.59	4.99	5.52	4.06	4.80	7.84	- 0.72
October	139.3	97.29	8.21	6.71	5.43	4.98	5.13	3.47	4.55	6.25	0.12
November	137.9	92.78	8.14	6.56	5.56	4.60	4.74	3.24	4.43	6.81	- 0.49
December	150.0	99.17	8.24	6.56	5.68	4.32	4.49	3.21	3.82	6.44	- 0.73
1972 - January	164.0	103.30	8.24	6.73	5.67	4.00	3.84	3.36	3.45	4.88	- 0.08
February	167.5	105.24	8.21	6.90	5.63	4.86	3.84	3.45	3.53	5.00	1.09
March	168.1	107.69	8.24	7.24	5.68	5.51	4.23	3.57	3.94	5.66	0.81
April	168.8	108.81	8.28	7.27	5.71	5.88	4.49	3.64	3.59	5.00	1.23
May	169.8	107.65	8.30	7.34	5.57	6.10	4.36	3.73	3.85	4.71	1.82
June	172.3	108.01	8.34	7.45	5.58	5.16	4.61	3.50	4.24	5.49	0.17
July											
August											
September											
October											
November											
December											

(1) Source: McLeod, Young, Weir and Company Limited. (2) Source: Bank of Canada. (3) Source: United States Federal Reserve Bulletin. (4) Average term to maturity about 20 years. Average yield based on last business day of month. (5) All direct issues due or callable in 10 years or more. Based on mid-market closing prices of last Wednesday of the month. (6) Bonds due or callable in 10 years or more. Averages of daily figures of last week of the month. (7) Based on rates for last Wednesday of each month. Rates for United States finance paper adjusted to 365-day true yield basis from 360-day discount basis. (8) Average of tenders bid on Thursday of the last week of the month. (9) Average of rates at the last Monday tender in the month. Adjusted to 365-day true yield basis from 360-day discount basis.

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