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No. 11

SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES  
November, 1943.

Net sales of securities by Canada to other countries were \$6.4 million in November compared with \$21.1 million in October. Sales of Canadian bonds to the United States represented the principal part of this import of capital in both months.

The sales to the United States were concentrated in Dominions, Provincials and Dominion Guarantees, these amounting to \$1.1, \$1.9 and \$0.9 million respectively. There were also relatively light sales of Canadian municipal and corporation bonds and stocks. Sales of United States stocks were more substantial amounting to \$1.2 million while sales of United States bonds were \$0.4 million.

Repurchases from the United Kingdom of \$0.6 million were divided between Canadian bonds and stocks.

There was no appreciable balance in the trade with other countries.

In the eleven months ending in November 1943, there were net sales to all countries of \$164.3 million compared with \$97.7 million in the same period in 1942. Sales of Canadian bonds accounted for \$135.2 million of the total net sales of \$136.6 million of Canadian securities and sales of United States securities were \$23.7 million. In the same period of 1942 sales of Canadian securities were \$87.5 million and sales of United States securities were \$9.0 million.

Further declines were recorded in November in each of the index numbers of common stock prices in Canada and the United States, shown in Table 5. The prices of the two Dominion of Canada issues shown in Table 4 remained unchanged while very minor declines were shown in the British and American issues. The official buying and selling rates for foreign exchange remained at the levels fixed in September, 1939.

The international trade in securities shown by statistics in this bulletin was carried on through the medium of the investment dealers, stock exchanges, banks, Canadian branches of United States houses and other agencies in Canada. It should be noted that certain types of international security transactions are not included in these statistics. Besides some transactions carried on directly outside of Canada independently of the reporting agencies the most important groups of security transactions not included are the redemption of called or matured Canadian bonds owned abroad and official repatriation operations. For a period of years, retirements of Canadian bonds owned outside of Canada have exceeded flotations of new issues abroad by substantial amounts. Statistics of these capital movements are included in the annual reports of the Canadian Balance of International Payments.

## SALES AND PURCHASES OF SECURITIES BETWEEN CANADA AND OTHER COUNTRIES

Table 1.

(in millions of dollars to nearest hundred thousand)

Year and Month	Total Transactions			United States			United Kingdom			Other Countries		
	Sales	Purchases	Net Sales + Purch.	Sales to	Purchases from	Net Sales + Purch.	Sales to	Purchases from	Net Sales + Purch.	Sales to	Purchases from	Net Sales + Purch.
<u>1941</u>												
TOTAL .....	108.3	75.3	+ 33.0	104.8	68.5	+ 36.3	1.8	4.9	- 9.1	1.7	1.9	- 0.2
September ...	11.2	7.5	+ 3.7	11.0	6.8	+ 4.2	0.1	0.6	- 0.5	0.1	0.1	-
October ....	15.9	9.4	+ 6.5	15.7	8.8	+ 6.9	(1)	0.5	- 0.5	0.2	0.1	+ 0.1
November ....	13.9	8.3	+ 5.6	13.7	7.1	+ 6.6	0.1	0.3	- 0.7	0.1	0.4	- 0.3
December ....	10.5	8.3	+ 2.2	10.4	7.7	+ 2.7	(1)	0.4	- 0.4	0.1	0.2	- 0.1
<u>1942</u>												
TOTAL .....	167.0	81.5	+ 105.5	165.1	58.0	+ 109.1	0.1	4.3	- 4.2	1.8	1.2	+ 0.6
January ....	12.4	7.3	+ 5.1	12.3	6.7	+ 5.6	(1)	0.5	- 0.1	0.1	0.1	-
February ....	5.3	3.5	+ 1.8	5.2	3.1	+ 2.1	(1)	0.3	- 0.3	0.1	0.1	-
March .....	28.9	5.9	+ 23.0	28.8	5.2	+ 23.6	(1)	0.6	- 0.6	0.1	0.1	-
April .....	18.6	4.8	+ 15.8	18.5	4.3	+ 14.2	(1)	0.4	- 0.4	0.1	0.1	-
May .....	14.0	6.3	+ 7.7	13.7	5.6	+ 8.1	(1)	0.3	- 0.3	0.4	0.4	-
June .....	10.8	4.5	+ 6.3	10.5	4.2	+ 6.3	(1)	0.2	- 0.2	0.3	0.1	+ 0.2
July .....	13.3	6.5	+ 6.8	13.2	6.1	+ 7.1	(1)	0.4	- 0.4	0.1	(1)	+ 0.1
August .....	9.5	5.7	+ 5.8	9.4	3.3	+ 6.1	(1)	0.3	- 0.3	0.1	0.1	-
September ...	10.8	4.0	+ 6.8	10.8	3.7	+ 7.1	(1)	0.3	- 0.3	(1)	(1)	-
October ....	20.2	4.8	+ 15.4	20.1	4.4	+ 15.7	(1)	0.4	- 0.4	0.1	(1)	+ 0.1
November ....	9.5	4.3	+ 5.2	9.4	3.9	+ 5.5	(1)	0.3	- 0.3	0.1	(1)	+ 0.1
December ....	13.5	5.7	+ 7.8	13.3	5.1	+ 8.2	-	0.4	- 0.4	0.3	0.2	+ 0.1
<u>1943</u>												
TOTAL .....	250.8	86.5	+ 164.3	247.3	75.4	+ 171.9	0.1	9.3	- 9.2	3.4	1.8	+ 1.6
January ....	19.2	7.9	+ 11.3	18.9	7.4	+ 11.5	(1)	0.5	- 0.5	0.3	(1)	+ 0.3
February ....	22.2	7.2	+ 15.0	21.7	6.6	+ 15.1	(1)	0.5	- 0.5	0.4	0.1	+ 0.3
March .....	25.5	12.1	+ 13.4	25.1	11.1	+ 14.0	(1)	0.7	- 0.7	0.4	0.3	+ 0.1
April .....	28.7	7.5	+ 21.2	28.6	6.9	+ 21.7	(1)	0.4	- 0.4	0.2	0.3	- 0.1
May .....	17.6	7.5	+ 10.1	17.3	6.6	+ 10.7	(1)	0.6	- 0.6	0.2	0.2	-
June .....	35.2	7.3	+ 27.9	34.8	6.1	+ 28.7	(1)	0.9	- 0.9	0.4	0.3	+ 0.1
July .....	31.7	9.7	+ 22.0	31.1	8.2	+ 22.9	(1)	1.2	- 1.2	0.6	0.3	+ 0.3
August .....	20.5	7.3	+ 13.2	20.2	6.2	+ 14.0	(1)	1.0	- 1.0	0.3	0.1	+ 0.2
September ...	10.2	7.6	+ 2.6	9.8	5.3	+ 4.5	(1)	2.2	- 2.2	0.3	0.1	+ 0.2
October ....	27.9	6.8	+ 21.1	27.8	6.0	+ 21.8	(1)	0.7	- 0.7	0.1	0.1	-
November ....	12.1	5.7	+ 6.4	12.0	5.0	+ 7.0	(1)	0.6	- 0.6	0.1	0.1	-

(1) Less than 0.05

(x) Subject to revision.

Analysis of Trade in Securities Between Canada and Other Countries, November, 1943.

Table 2

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
Bonds & Debentures, Total .....	7,343,785	2,507,489	7,261,370	1,878,740	-	345,684	82,415	83,065
Canadian New Issues .....	9,000	-	9,000	-	-	-	-	-
Canadian Outstanding Issues .....								
Dominion .....	1,583,297	457,678	1,514,867	407,994	-	2,455	68,430	27,231
Provincial .....	1,954,740	161,583	1,954,740	22,052	-	139,531	-	-
Municipal .....	231,259	251,330	231,259	91,973	-	159,757	-	-
Guaranteed by the Dominion .....	1,038,666	199,651	1,038,666	146,362	-	2,327	-	50,962
Railway, Other .....	85,612	127,182	85,612	112,427	-	14,755	-	-
Other Corporations.....	224,800	79,750	214,888	49,417	-	27,261	9,912	3,072
United States New Issues								
Government .....	-	46,367	-	46,367	-	-	-	-
Other .....	-	2,252	-	2,252	-	-	-	-
United States Outstanding Issues								
Government .....	500,696	191,869	500,696	191,869	-	-	-	-
Other .....	521,805	360,877	521,805	359,077	-	-	-	1,800
United Kingdom New Issues								61
Government .....	-	-	-	-	-	-	-	-
Other .....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government .....	-	-	-	-	-	-	-	-
Other .....	-	-	-	-	-	-	-	-
Other Countries New Issues .....	-	-	-	-	-	-	-	-
Other Countries Outstanding Issues	148,696	20,068	144,623	20,068	-	-	4,073	-
Unspecified Bonds & Debentures ...	1,045,214	428,882	1,045,214	428,882	-	-	-	-
<u>Common &amp; Preference Stocks</u>								
Canadian .....	2,246,678	2,062,182	2,187,818	1,792,162	22,248	244,268	36,612	25,752
United States .....	2,517,472	1,315,409	2,517,432	1,314,942	-	-	-	467
United Kingdom .....	3,765	-	3,765	-	-	-	-	-
Other Countries .....	-	14,905	-	-	-	14,905	-	-
Short-Term Securities (1 Yr. or Less)	-	-	-	-	-	-	-	-
<u>Other Securities</u>								
Canadian .....	-	-	-	-	-	-	-	-
United States .....	-	-	-	-	-	-	-	-
United Kingdom .....	-	-	-	-	-	-	-	-
TOTAL .....	12,111,660	5,699,985	11,970,385	4,985,844	22,248	604,857	119,027	109,284

Analysis of Trade in Securities Between Canada and Other Countries - Eleven Months Ending November, 1943.

Table 2A.

	Total Sales	Total Purchases	United States		United Kingdom		Other Purchases	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
			\$	\$	\$	\$	\$	\$
Bonds & Debentures, Total .....	136,501,289	46,110,592	183,705,134	38,298,872	16,370	6,490,465	2,779,785	1,321,255
Canadian New Issues .....	10,438,803	-	10,426,128	-	-	-	12,675	-
Canadian Outstanding Issues								
Dominion .....	59,692,426	9,065,306	57,731,697	8,653,733	12,158	123,700	1,948,571	287,873
Provincial .....	37,141,650	4,011,057	37,081,778	1,878,148	-	2,079,981	59,872	52,928
Municipal .....	8,312,130	5,250,903	8,311,611	1,938,824	-	3,312,079	519	-
Guaranteed by the Dominion ....	33,022,838	3,770,167	32,996,652	3,451,982	-	133,414	26,186	184,771
Railway, Other .....	3,716,711	2,576,233	3,701,514	2,571,408	2,582	96,196	12,615	8,629
Other Corporations .....	11,846,184	4,244,659	11,270,911	2,828,133	1,630	745,095	575,643	671,431
United States New Issues								
Government .....	-	609,394	-	609,394	-	-	-	-
Other .....	-	316,082	-	316,082	-	-	-	-
United States Outstanding Issues								
Government .....	5,220,906	5,019,267	5,219,949	5,019,267	-	-	957	-
Other .....	5,477,400	3,405,878	5,475,564	3,391,480	-	-	1,836	14,398
United Kingdom New Issues								
Government .....	-	14,806	-	14,806	-	-	-	-
Other .....	-	-	-	-	-	-	-	-
United Kingdom Outstanding Issues								
Government .....	1,149	-	1,149	-	-	-	-	-
Other .....	872,526	795,168	872,526	795,168	-	-	-	-
Other Countries New Issues .....	-	39,916	-	6,911	-	-	-	33,005
Other Countries Outstanding Issues	2,649,815	711,130	2,506,904	642,910	-	-	142,911	68,220
Unspecified Bonds & Debentures ...	8,107,751	6,180,636	8,107,751	6,180,636	-	-	-	-
<u>Common &amp; Preference Stocks</u>								
Canadian .....	23,106,230	21,782,921	22,400,434	18,486,482	84,232	815,636	621,564	480,803
United States .....	40,720,993	18,423,331	40,715,298	18,382,165	1,298	19,896	4,397	21,270
United Kingdom .....	31,245	-	31,245	-	-	-	-	-
Other Countries .....	1,700	30,745	1,700	15,840	-	14,905	-	-
Short-Term Securities (1 Yr. or Less)	346,246	157,985	346,246	151,363	-	-	-	6,622
<u>Other Securities</u>								
Canadian .....	116,256	42,538	116,256	35,838	-	6,700	-	-
United States .....	17,316	1,523	17,316	1,523	-	-	-	-
United Kingdom .....	3,000	-	3,000	-	-	-	-	-
TOTAL .....	250,844,275	86,549,635	247,336,629	75,372,083	101,900	9,347,602	3,405,746	1,829,950

Sales of Securities Between Canada and Other Countries

By Nationality and Class of Security. (Summary Table)

November, 1945.

Table 3.

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from
	\$	\$	\$	\$	\$	\$	\$	\$
Canadian Securities, Total .....	7,374,052	3,319,356	7,236,850	2,622,387	22,248	589,952	114,954	107,017
Bonds & Debentures .....	5,127,374	1,257,174	5,049,032	830,225	-	345,684	78,342	81,265
Common & Preference Stocks .....	2,246,678	2,062,182	2,187,818	1,792,162	22,248	244,268	36,612	25,752
Other Securities .....	-	-	-	-	-	-	-	-
United States Securities, Total ....	3,539,935	1,916,774	3,539,933	1,914,507	-	-	-	2,267
Bonds & Debentures .....	1,022,501	601,365	1,022,501	599,565	-	-	-	1,800
Common & Preference Stocks .....	2,517,432	1,515,409	2,517,432	1,314,942	-	-	-	467
Other Securities .....	-	-	-	-	-	-	-	-
United Kingdom Securities, Total ....	3,765	-	3,765	-	-	-	-	-
Bonds & Debentures .....	-	-	-	-	-	-	-	-
Common & Preference Stocks .....	3,765	-	3,765	-	-	-	-	-
Other Securities .....	-	-	-	-	-	-	-	-
Other Countries Securities, Total ...	148,696	34,973	144,623	20,068	-	14,905	4,073	-
Bonds & Debentures .....	148,696	20,068	144,623	20,068	-	-	4,073	-
Common & Preference Stocks .....	-	14,905	-	-	-	14,905	-	-
Other Securities .....	-	-	-	-	-	-	-	-
Short-Term Securities (1 Yr. or Less)	-	-	-	-	-	-	-	-
Unspecified Bonds & Debentures .....	1,045,214	428,882	1,045,214	428,882	-	-	-	-
GRAND TOTAL .....	12,111,660	5,699,985	11,970,385	4,985,844	22,248	604,857	119,027	109,284

Sales and Purchases of Securities Between Canada and Other Countries

By Nationality and Class of Security.

For the Eleven Months Ending November, 1945.

Table 3A.

	Total Sales	Total Purchases	United States		United Kingdom		Other Countries	
			Sales to	Purchases from	Sale. to	Purchases from	Sales to	Purchases from
Canadian Securities, Total ...	187,394,228	50,845,784	184,037,981	39,844,548	100,602	9,512,801	3,255,645	1,686,435
Bonds & Debentures .....	164,171,742	29,018,325	161,521,291	21,322,228	16,370	6,490,465	2,634,081	1,205,632
Common & Preference Stocks	23,106,230	21,782,921	22,400,434	18,486,482	84,232	2,815,636	621,564	480,803
Other Securities .....	116,256	42,538	116,256	35,838	-	6,700	-	-
United States Securities,								
Total .....	51,436,615	27,775,465	51,428,127	27,719,901	1,298	19,896	7,190	35,668
Bonds & Debentures .....	10,698,506	9,350,611	10,695,513	9,336,213	-	-	2,793	14,398
Common & Preference Stocks	40,720,293	18,423,831	40,715,298	18,382,165	1,298	19,896	4,397	21,270
Other Securities .....	17,316	1,523	17,316	1,523	-	-	-	-
United Kingdom Securities,								
Total .....	907,920	809,974	907,920	809,974	-	-	-	-
Bond & Debentures .....	873,675	809,974	873,675	809,974	-	-	-	-
Common & Preference Stocks	31,245	-	31,245	-	-	-	-	-
Other Securities .....	3,000	-	3,000	-	-	-	-	-
Other Countries Securities,								
Total .....	2,651,515	731,791	2,508,604	665,661	-	14,905	142,911	101,225
Bonds & Debentures .....	2,643,815	751,046	2,506,904	649,821	-	-	142,911	101,225
Common & Preference Stocks	1,700	50,745	1,700	15,840	-	14,905	-	-
Other Securities .....	-	-	-	-	-	-	-	-
Short-Term Securities (1 Yr. or Less) .....	346,246	157,985	346,246	151,363	-	-	-	6,622
Unspecified Bonds & Debentures	8,107,751	6,180,636	8,107,751	6,180,636	-	-	-	-
<b>GRAND TOTAL .....</b>	<b>250,344,275</b>	<b>86,549,635</b>	<b>247,526,629</b>	<b>75,372,083</b>	<b>101,900</b>	<b>9,547,602</b>	<b>3,405,746</b>	<b>1,829,950</b>

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

Table 4.

	United Kingdom		United States			Dominion of Canada			
	3- $\frac{1}{2}$ War Loan Callable on or after Dec. 1, 1952+		3% of Sept. 15, 1955, Callable on or after Sept. 15, 1951			4- $\frac{1}{2}$ % of Nov. 1 1958, Callable on or after Nov. 1, 1948		3% of June 1, 1955, Callable on or after June 1, 1950	
	Price	Yield	Price	Yield	Tax(x) Equiv.	Price	Yield	Price	Yield
<u>1941</u>									
Sept. 17 .....	105.15	2.96	111.78	1.71	2.65	108.75	3.12	98.88	3.10
Oct. 15 .....	104.64	3.01	112.21	1.66	2.60	108.75	3.11	99.13	3.08
Nov. 12 .....	104.78	2.99	115.13	1.56	2.50	109.00	3.05	99.38	3.06
Dec. 17 .....	104.41	3.02	110.91	1.73	2.72	108.88	3.06	99.38	3.06
<u>1942</u>									
Jan. 14 .....	104.89	2.97	110.56	1.80	2.74	109.00	3.02	99.63	3.03
Feb. 18 .....	103.99	3.06	108.97	1.97	2.91	108.75	3.05	99.78	3.06
March 18 .....	104.72	2.96	110.59	1.78	2.72	108.75	3.03	99.25	3.07
April 16 .....	105.08	2.94	110.69	1.76	2.70	109.00	2.98	99.38	3.06
May 13 .....	104.87	2.96	110.47	1.78	2.72	108.75	3.00	99.50	3.05
June 17 .....	104.91	2.95	110.78	1.73	2.67	108.63	3.00	99.75	3.02
July 15 .....	105.52	2.88	110.53	1.75	2.69	108.25	3.05	99.75	3.02
Aug. 12 .....	105.19	2.91	110.44	1.75	2.69	108.38	3.01	99.75	3.02
Sept. 16 .....	105.04	2.93	110.28	1.76	2.70	108.13	3.03	99.50	3.05
Oct. 14 .....	105.03	2.92	110.22	1.76	2.70	108.00	3.04	99.50	3.05
Nov. 18 .....	104.37	2.99	110.25	1.74	2.68	108.00	3.02	99.50	3.05
Dec. 16 .....	104.24	3.00	110.00	1.76	2.70	108.38	2.94	99.63	3.04
<u>1943</u>									
Jan. 13 .....	105.03	2.91	110.16	1.73	2.67	108.63	2.87	99.63	3.04
Feb. 17 .....	104.56	2.96	110.19	1.72	2.66	109.00	2.78	100.00	3.00
March 17 .....	104.48	2.97	110.06	1.72	2.66	108.00	2.77	100.13	2.98
April 14 .....	104.35	2.98	110.38	1.67	2.61	108.88	2.76	100.00	3.00
May 12 .....	103.63	3.06	111.06	1.58	2.52	108.88	2.74	100.00	3.00
June 16 .....	103.24	3.10	111.50	1.51	2.45	108.75	2.74	100.13	2.98
July 14 .....	103.53	3.06	112.06	1.43	2.37	108.63	2.74	100.25	2.96
Aug. 18 .....	102.88	3.14	111.75	1.45	2.39	109.13	2.61	100.38	2.94
Sept. 15 .....	102.74	3.16	111.72	1.44	2.38	109.13	2.59	100.38	2.94
Oct. 13 .....	102.53	3.05	111.66	1.44	2.38	108.88	2.61	100.38	2.94
Nov. 17 .....	103.44	3.06	111.34	1.46	2.40	108.88	2.58	100.38	2.94

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

(x) Yield on a comparable taxable security which would give an equivalent net return to holders who were subject to income tax at the flat corporation rates. This rate was 16- $\frac{1}{2}\%$  to December 31, 1939; 18% to June, 1940; and 20.9% in July, August and September; and 24% in October and thereafter.



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Index Numbers of Common Stocks Prices in Canada

and the United States, 1940-1942.  
(1935 - 39=100)

Table 5.

	C A N A D A			United States (402) (Standard & Poor's Corp.)	
	Dominion Bureau of Statistics				
	Investors' Price Index (25) (68 Industrials 19 Utilities 8 Banks)	Mining Stocks Gold Stocks (22)	Composite Mining Index (25)		
<u>1941</u>					
August .....	67.8	66.0	74.6	83.2	
September .....	71.0	66.0	75.4	83.6	
October .....	69.1	60.8	69.7	80.4	
November .....	68.8	54.9	65.0	77.4	
December .....	67.2	52.2	63.2	71.8	
<u>1942</u>					
January .....	66.8	50.5	61.9	72.6	
February .....	64.7	45.4	57.5	69.9	
March .....	62.3	40.1	51.9	66.0	
April .....	61.1	37.5	49.3	63.8	
May .....	62.0	39.6	51.7	63.2	
June .....	62.8	42.6	53.2	66.1	
July .....	62.4	39.3	50.6	68.2	
August .....	61.6	38.0	49.4	68.3	
September .....	62.6	38.4	49.7	69.4	
October .....	65.0	33.3	46.2	74.2	
November .....	67.6	40.7	51.6	75.2	
December .....	71.3	44.7	54.7	75.9	
<u>1943</u>					
January .....	76.3	50.1	60.0	79.7	
February .....	78.7	52.0	61.5	84.8	
March .....	79.1	55.6	65.0	88.2	
April .....	82.6	59.0	68.6	91.3	
May .....	85.7	56.6	66.9	95.2	
June .....	86.3	59.1	68.4	96.7	
July .....	91.0	62.8	71.5	98.5	
August .....	88.9	66.4	75.1	94.4	
September .....	89.3	71.9	79.2	95.6	
October .....	86.4	68.5	77.2	94.8	
November .....	79.6	65.9	72.9	91.4	