Catalogue 11-001-XIE (Français 11-001-XIF) ISSN 0827-0465

The Daily

Statistics Canada

Monday, April 18, 2005
Released at 8:30 a.m. Eastern time

Major releases

Other releases

New products

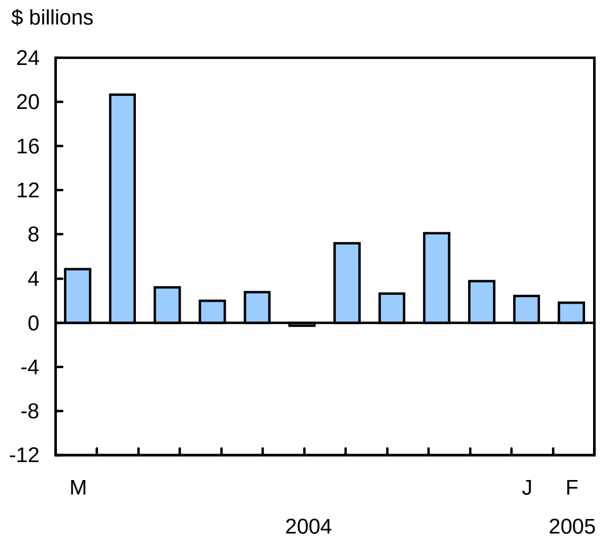
Major releases

Canada's international transactions in securities

February 2005

Although foreign investors continued buying Canadian securities in February, entirely in Canadian stocks, it was at a slower pace than in the previous two months. Meanwhile, Canadian investors' holdings of foreign securities surged to its highest level since November 2002.

Foreign portfolio investment in Canadian securities*



* *Includes bonds, stocks and money market paper.*

Foreign investors bought $1.8 billion in Canadian securities in February following purchases of $2.4 billion in January and $3.7 billion in December. All of the month's investment occurred in Canadian stocks as foreign holdings of Canadian debt instruments fell for the month.

Meanwhile, Canadian investors increased substantially their holdings of foreign securities ($5.3 billion). February's investment was the largest since November 2002 and was in part driven by the merger between a Canadian and US company as Canadian shareholders swapped their shares for the newly formed company based in the United States.

Related market information

In February, Canadian short-term interest rates increased by only 3 basis points to 2.46% while US short-term rates increased 21 basis points to 2.54%. The resulting differential of 8 basis points was the first time since December 2000 that short-term rates favoured investment in the United States.

Both Canadian and US long-term interest rates increased in February. Canadian rates increased 7 basis points to 4.28% while US rates climbed 6 basis points to 4.27%. The resulting differential of 1 basis point was little changed from the month before.

Canadian stock prices increased substantially in February. The S&P/TSX Composite Index finished the month at 9,668.32, an increase of 5%. Meanwhile, US stock prices advanced 1.9%, ending February at 1,203.6.

After two consecutive months of decline, the Canadian dollar rose against the US dollar in February. It ended the month at 81.07 US cents, an increase of 0.50 US cents.

Definitions

The data series on international security transactions cover portfolio transactions in stocks and bonds (both Canadian and foreign issues) and Canadian money market instruments.

***Stocks** include common and preferred equities, as well as warrants.*

***Debt securities** include bonds and money market instruments.*

***Bonds** have an original term to maturity of more than one year.*

***Money market instruments** have an original term to maturity of one year or less. **Government of Canada paper** includes treasury bills and US-dollar Canada bills. **Other money market instruments** include treasury bills and other paper issued by other Canadian governments or their enterprises, bankers' acceptances, bearer demand notes of banks, commercial paper and other short-term paper.*

Foreign investors continue buying Canadian equities

Interest by foreign investors in Canadian stocks remained strong in February as non-resident investors picked up $2.2 billion worth. All of February's investment occurred in outstanding issues with US investors accounting for the vast majority of purchases.

Non-resident investors have acquired Canadian equities every month since July 2004 with purchases totalling $15.3 billion over the eight month period. Canadian stock prices rose 5% in February with the S&P/TSX Composite index ending the month at 9,668.32, its highest level since September 2000.

Holdings of Canadian debt instruments decrease

Transactions in Canadian bonds were relatively flat in February as foreign investors sold off $89 million worth, down from purchasing $600 million the month before. However, this lacklustre total masked some substantial but offsetting foreign investment activity in Canadian bonds.

Purchases of provincial government issues totalled $3.6 billion in February, the highest level in that sector in more than a decade. Purchases consisted almost entirely of net new issues (new issues less retirements), with the majority of new issues placed with European investors. However, foreign investors reduced their holdings of federal government and corporate bonds in equal measures.

While non-residents sold $2.4 billion in bonds denominated in Canadian and US dollars, they were mostly offset by purchases of $2.3 billion in bonds denominated in other foreign currencies. February's purchases of these bonds recorded their highest value since July 1998, primarily due to new issues of euro currency bonds.

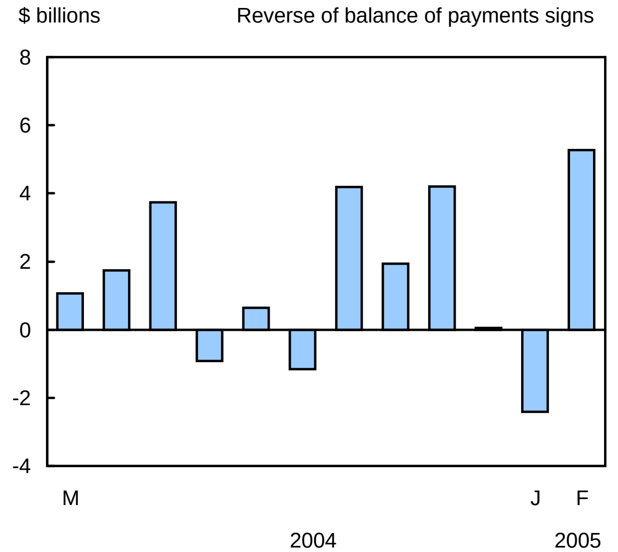
After purchasing more than $1.2 billion worth in Canadian money market paper in January, foreign investors returned to selling off some of their holdings in February. The $303 million in sales were mainly concentrated in issues of federal government enterprises, with most other government and government enterprise sectors also experiencing a reduction in holdings. In all, non-resident investors reduced their holdings in government issues by $943 million. Partially offsetting this were purchases of corporate paper ($640 million).

For the first time since December 2000, US short-term interest rates exceeded those in Canada. In February, Canadian short-term rates increased by 3 basis points to 2.46% while US short-term rates increased 21 basis points to 2.54%.

Holdings of foreign securities increase substantially

Canadians added heavily to their holdings of foreign securities in February by $5.3 billion, their largest investment in over two years. The bulk of the month's investment occurred in foreign stocks ($3.4 billion) mostly due to a "merger of equals" between a Canadian and US company resulting in Canadian shareholders exchanging their shares for the newly formed US company.

Canadian portfolio investment in foreign securities*



* *Includes bonds and stocks.*

Canadians also made a substantial investment in foreign bonds. The purchase of $1.9 billion in foreign bonds was roughly split among US government, US corporate and other foreign bonds.

So far in 2005, Canadian interest in foreign bonds has remained strong following the record year of 2004 when domestic investors purchased over $15 billion of foreign bonds. With this stronger demand for foreign bonds, foreign issuers are now coming to the Canadian market to float new bonds denominated in Canadian dollars.

Available on CANSIM: tables 376-0018 to 376-0029 and 376-0058.

Definitions, data sources and methods: survey numbers, including related surveys, 1532, 1534, 1535 and 1537.

The February 2005 issue of *Canada's International Transactions in Securities* (67-002-XIE, $15/$142) will soon be available.

Data on Canada's international transactions in securities for March will be released on May 18.

For general information or to order data, contact Client Services (613-951-1855; *infobalance@statcan.ca*.) To enquire about the concepts, methods or data quality of this release, contact David Filiplic (613-951-1864), Balance of Payments Division.

□

Canada's international transactions in securities

	November 2004	December 2004	January 2005	February 2005	January to February 2004	January to February 2005
			$ millions			
Foreign investment in Canadian securities	**8,111**	**3,743**	**2,408**	**1,800**	**-1,631**	**4,207**
Bonds (net)	6,835	-804	600	-89	897	511
Outstanding	3,629	-628	1,609	-1,270	646	338
New issues	6,906	5,035	157	5,292	3,854	5,449
Retirements	-3,953	-3,699	-1,849	-4,168	-4,307	-6,017
Change in interest payable[1]	252	-1,512	683	58	704	741
Money market paper (net)	-256	-421	1,241	-303	-3,042	939
Government of Canada	-242	1,044	-375	-103	-2,716	-477
Other	-14	-1,466	1,616	-200	-326	1,416
Stocks (net)	1,531	4,968	567	2,191	514	2,758
Outstanding	924	4,566	-350	2,808	2,412	2,458
Other transactions	608	402	916	-617	-1,898	299
Canadian investment in foreign securities	**-4,200**	**-46**	**2,413**	**-5,272**	**-1,384**	**-2,859**
Bonds (net)	-3,839	-2,090	-717	-1,875	-1,589	-2,592
Stocks (net)	-361	2,044	3,130	-3,396	205	-267

1. Interest accrued less interest paid.

Note: *A minus sign indicates an outflow of money from Canada, that is, a withdrawal of foreign investment from Canada or an increase in Canadian investment abroad.*

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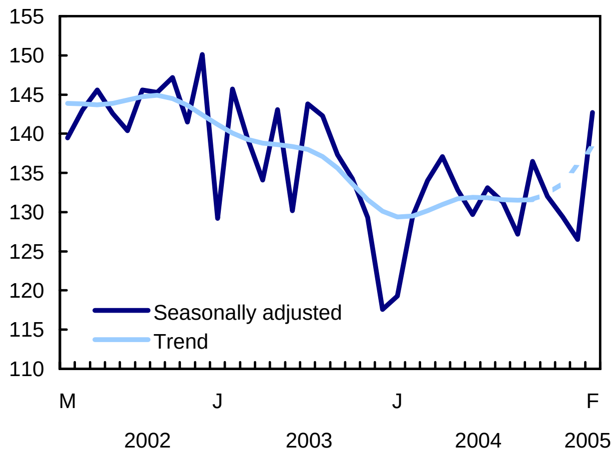
New motor vehicle sales

February 2005

New motor vehicle sales turned around in February, jumping 12.8% and completely reversing three consecutive monthy declines. In all, dealers sold 142,658 new vehicles in February, 16,166 units more than in January. With February's rebound, overall sales reached their highest level since July 2003.

New motor vehicles sales stage a huge rebound in February

'000 units



The last few points could be subject to revisions when more data are added. This is indicated by the dashed line.

February's robust increase came from sales of both passenger cars (+10.4%) and trucks (+15.4%). Trucks include minivans, sport-utility vehicles, light and heavy trucks, vans and buses. The gain posted in February was achieved in an economic environment in which the employment and the unemployment rate were relatively stable. Also, February saw a decline (-0.6%) in the Consumer Price Index for new vehicles, partly owing to incentives offered by some automakers.

Although February's increase made up ground that had been lost during the previous three months, this upturn was partly offset by an estimated sales decline of approximately 7% in March, according to preliminary figures from the industry.

New motor vehicle sales started 2004 with a series of increases that peaked in April and subsequently remained relatively stable for the rest of the year. In 2003, sales showed sizable fluctuations in the first half of the year, then went through a period of steep declines.

Note to readers

The complete revision of seasonally adjusted data for the 2004 calendar year will be released on May 12.

All data in this release are seasonally adjusted. Seasonally adjusted provincial data back to January 1991 are available on CANSIM.

***Passenger cars** include those used for personal and commercial purposes, such as taxis or rental cars. Trucks include minivans, sport-utility vehicles, light and heavy trucks, vans and buses.*

***North American-built new motor vehicles** include vehicles manufactured or assembled in Canada, the United States or Mexico. All other new motor vehicles are considered to have been manufactured overseas.*

Vehicles built by transplant automakers are vehicles built or assembled in North America by foreign automakers that have established themselves here.

For reasons of confidentiality, data for Yukon, the Northwest Territories and Nunavut are included with those for British Columbia.

The New Motor Vehicle Sales Survey is compiled on the basis of figures obtained from motor vehicle manufacturers and importers. These results may vary from those obtained directly from auto dealers, due to possible differences in record keeping.

Sales of trucks and cars rebound

Consumers showed an increased preference for new trucks in February. Indeed, after three straight declines, sales of new trucks climbed 15.4% to 69,666 vehicles in February. This gain pushed up their market share to 48.8%, the highest level in six months.

New passenger car sales advanced 10.4% to 72,992 units compared with January, when sales fell.

Sales of both passenger cars and trucks rose in the first four months of 2004. They then remained relatively stable, in contrast to the steep declines observed in the second half of 2003.

Sales up in all provinces

The number of new motor vehicles sold in February posted double-digit gains in all provinces compared with January, except for Alberta (+8.9%) and Quebec (+6.2%). Quebec had posted the largest gain in January.

In the Western provinces (except Manitoba), February's increase ended a string of three consecutive monthly declines. The situation was similar in Ontario, which accounted for nearly 40% of national sales.

In the Atlantic provinces, the rebound of sales in February made up for much or all of the ground lost in recent months.

Available on CANSIM: tables 079-0001 and 079-0002.

Definitions, data sources and methods: survey number 2402.

The February 2005 issue of *New Motor Vehicle Sales* (63-007-XIE, $14/$133) will be available soon.

Data on new motor vehicle sales for March will be released on May 12.

For general information or to order data, contact Client Services (1-877-421-3067; 613-951-3549; *retailinfo@statcan.ca*). To enquire about the concepts, methods or data quality of this release, contact Clérance Kimanyi (613-951-6363), Distributive Trades Division.

New motor vehicle sales

	February 2004	January 2005[r]	February 2005[p]	February 2004 to February 2005	January to February 2005
	seasonally adjusted				
	number of vehicles			% change	
New motor vehicles	**129,477**	**126,492**	**142,658**	**10.2**	**12.8**
Passenger cars	66,849	66,108	72,992	9.2	10.4
North American[1]	46,370	44,774	51,645	11.4	15.3
Overseas	20,479	21,334	21,347	4.2	0.1
Trucks, vans and buses	62,628	60,384	69,666	11.2	15.4
New motor vehicles					
Newfoundland and Labrador	1,812	1,886	2,101	15.9	11.4
Prince Edward Island	380	378	453	19.2	19.8
Nova Scotia	3,315	3,697	4,065	22.6	10.0
New Brunswick	2,908	2,544	3,032	4.3	19.2
Quebec	33,346	33,956	36,078	8.2	6.2
Ontario	50,453	47,653	56,492	12.0	18.5
Manitoba	3,803	3,548	4,016	5.6	13.2
Saskatchewan	3,432	2,632	3,158	-8.0	20.0
Alberta	16,318	16,611	18,094	10.9	8.9
British Columbia[2]	13,711	13,587	15,170	10.6	11.7

	February 2004	January 2005[r]	February 2005[p]	February 2004 to February 2005
	unadjusted			
	number of vehicles			% change
New motor vehicles	**94,777**	**82,019**	**106,070**	**11.9**
Passenger cars	46,029	39,544	50,559	9.8
North American[1]	29,238	27,144	35,421	21.1
Overseas	16,791	12,400	15,138	-9.8
Trucks, vans and buses	48,748	42,475	55,511	13.9
New motor vehicles				
Newfoundland and Labrador	1,111	957	1,339	20.5
Prince Edward Island	231	202	282	22.1
Nova Scotia	2,254	2,115	2,817	25.0
New Brunswick	2,052	1,580	2,211	7.7
Quebec	23,009	19,603	25,244	9.7
Ontario	36,564	31,692	41,813	14.4
Manitoba	2,814	2,227	3,091	9.8
Saskatchewan	2,451	1,793	2,327	-5.1
Alberta	12,395	11,651	14,026	13.2
British Columbia[2]	11,896	10,199	12,920	8.6

r Revised.
p Preliminary figures.
1. Manufactured or assembled in Canada, the United States or Mexico.
2. Includes Yukon, the Northwest Territories and Nunavut.

■

Other releases

Monthly Survey of Large Retailers
February 2005

Sales at large retailers continued to progress in February, rising 0.3% following a 2.7% jump in January. The surge in January may have been partly a result of gift card redemptions during the month. Despite slowing down at the end of 2004, sales at large retailers had generally been increasing throughout the year. Preceding a weak December in 2003, growth in sales had been steady between April and November 2003, after having more volatility in late 2002 and into early 2003.

In February, sales among many of the major commodity groups at large retailers remained flat compared to January. The exceptions were strong growth in furniture, home furnishing and electronic sales, and clothing, footwear and accessory sales. Sporting and leisure goods posted a moderate increase in February. The only commodity group to have a sizeable decrease in sales was the other goods and services category.

Following a strong year of sales in 2004, furniture, home furnishing and electronic sales posted a third consecutive month of solid gains in February (+1.4%). Favourable labour market conditions and a healthy housing market into early 2005 have continued to help out vendors of furniture and electronics, as sales at large retailers were up 1.4%. Household appliances (+2.0%), furniture (+2.3%) and home electronics (+2.9%) all posted robust gains in February. Home furnishings (such as flooring, draperies, bedding and artwork) were the exception, with sales decreasing 3.0% during the month.

Clothing, footwear and accessory sales were the other bright spot, gaining 1.4% in February. Sales of clothing, footwear and accessories posted a second month of gains following weaker sales in November and December. The gain was broadly based, seeing strong increases in women's, boy's and girl's clothing, as well as in footwear sales. One exception was a sharp drop in the sale of jewellery and watches at large retailers. Also, men's clothing sales were down slightly during the month, after posting gains in four of the previous five months.

The only sizeable decline in February was a decrease in the other goods and services category (-1.0%). The decline was largely a result of a 3.3% decrease in tobacco sales at large retailers during the month. Having a mitigating effect, automotive fuels, oils and additive sales were up 1.1% compared to the previous month. The price of gasoline at the pump continued to climb in recent months, driving the value of sales higher.

Sales by commodity for the group of large retailers

	February 2004	January 2005[r]	February 2005[p]	January to February 2005	February 2004 to February 2005
	seasonally adjusted				
	$ millions			% change	
Commodity					
Food and beverages	2,454	2,661	2,660	-0.1	8.4
Health and personal care products	752	784	784	0.0	4.2
Clothing, footwear and accessories	1,353	1,378	1,397	1.4	3.3
Furniture, home furnishings and electronics	1,147	1,208	1,225	1.4	6.8
Housewares	339	351	350	-0.4	3.1
Hardware, lawn and garden products	307	331	331	-0.2	7.7
Sporting and leisure goods	413	428	431	0.7	4.3
All other goods and services	846	921	912	-1.0	7.8
Total	**7,611**	**8,062**	**8,089**	**0.3**	**6.3**

r *Revised figures.*
p *Preliminary figures.*

Sales by commodity for the group of large retailers

	January 2005[r]	February 2004	February 2005[p]	February 2004 to February 2005
	Unadjusted			
	$ millions			% change
Commodity				
Food and beverages	2,554	2,226	2,354	5.8
Health and personal care products	732	683	695	1.8
Clothing, footwear and accessories	947	893	904	1.3
Furniture, home furnishings and electronics	1,047	877	920	4.9
Housewares	332	282	282	-0.2
Hardware, lawn and garden products	175	163	170	4.8
Sporting and leisure goods	315	261	270	3.2
All other goods and services	790	691	715	3.5
Total	**6,892**	**6,075**	**6,310**	**3.9**

r *Revised figures.*
p *Preliminary figures.*

Note: This survey includes large retailers mainly in the food, clothing, home furnishings, electronics, sporting goods, and general merchandise sectors. These retailers represent approximately 26% of total annual retail sales, or 35% excluding recreational and motor vehicle dealers.

All data in this release are adjusted for seasonality and all percentages are month-to-month changes unless otherwise indicated. Results from the Monthly Survey of Large Retailers are classified according to the 2002 North American Industrial Classification System.

Available on CANSIM: table 080-0009.

Definitions, data sources and methods: survey number 5027.

A data table is also available in the *Canadian Statistics* module online.

Data for the group of large retailers for March 2005 will be released on May 18.

For general information or to order data, contact Client Services (1-877-421-3067; 613-951-3549; *retailinfo@statcan.ca*). To enquire about the concepts, methods or data quality of this release, contact Elton Cryderman (613-951-0669), Distributive Trades Division. ■

Air fare statistics

2001 (preliminary)

In 2001, the average domestic and international air fare (all types) paid by passengers was $271, down 2.9% from the 2000 record average of $280. This was the first annual decrease in the domestic and international sectors since 1997.

The average domestic air fare (all types) paid by passengers was $208 in 2001, down 6.9% from the record $224 in 2000. This was the first annual decrease in the domestic sector since 1997.

In 2001, a record 95.1% of passengers on domestic and international scheduled services flew on discount fares, up 3.0 percentage points from the previous record level of 92.1% set in 2000.

On domestic scheduled services, a record 93.1% of passengers travelled on discount fares, up 2.8 percentage points from 90.3% in 2000.

Preliminary estimates are now available for 2001. The universe of the Fare Basis Survey is the Canadian Level I air carriers (Air Canada, Air Canada Regional Inc., Air Transat, Canada 3000 and WestJet).

Definitions, data sources and methods: survey number 2708.

The fare basis data will appear in the *Aviation: Service Bulletin*, Vol. 37, no. 2 (51-004-XIB, $9), which will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Yukman Cheung (613-951-0365; *yukman.cheung@statcan.ca*) or Lisa Di Piétro (613-951-0146; *lisa.dipietro@statcan.ca*), Transportation Division. ■

Civil aviation operating statistics

July to December 2004

Monthly operational data on civil aviation are now available for July to December 2004.

Available on CANSIM: table 401-0001.

Definitions, data sources and methods: survey number 5026.

July to December 2004 operational data on civil aviation for Air Canada will appear in the *Aviation: Service Bulletin*, Vol. 37, no. 2 (51-004-XIB, $9), which will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Robert Lund (613-951-0125; *bob.lund@statcan.ca*) or Lisa Di Piétro (613-951-0146; *lisa.dipietro@statcan.ca*), Transportation Division. ■

Natural gas transportation and distribution

December 2004

Data on natural gas transportation and distribution for December are now available.

Available on CANSIM: tables 129-0001 to 129-0004.

Definitions, data sources and methods: survey number 2149.

For more information, to order data, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; *energ@statcan.ca*), Manufacturing, Construction and Energy Division. ■

New products

Inter-corporate Ownership, First quarter 2005
Catalogue number 61-517-XCB ($375/$1,065).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

Catalogue numbers with an -XWE, -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB or –XDE are electronic versions on diskette and -XCB or –XCE are electronic versions on compact disc.

How to order products

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To order by Internet, write to: *infostats@statcan.ca* or download an electronic version by accessing Statistics Canada's website *(www.statcan.ca)*. From the *Our products and services* page, under *Browse our Internet publications*, choose *For sale*.

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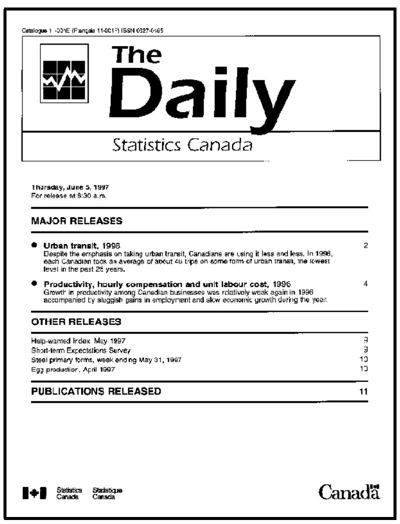
Catalogue 11-001E (Français 11-001F) ISSN 0827-0465

The Daily

Statistics Canada

Thursday, June 5, 1997
For release at 8:30 a.m.

MAJOR RELEASES

- **Urban transit, 1996** 2
  Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 46 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
  Growth in productivity among Canadian businesses was relatively weak again in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

Help-wanted Index, May 1997	9
Short-term Expectations Survey	9
Steel primary forms, week ending May 31, 1997	10
Egg production, April 1997	10

PUBLICATIONS RELEASED 11

Statistics Canada Statistique Canada

Canada

Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

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