



The Daily

Statistics Canada

Wednesday, April 19, 2006

Released at 8:30 a.m. Eastern time

Releases

Canada's international transactions in securities, February 2006	2
Foreign investors purchased \$2.1 billion of Canadian securities in February after buying \$3.0 billion worth the month before. Meanwhile, Canadian investors continued to acquire foreign securities in February, buying \$2.7 billion worth.	
Leading indicators, March 2006	5
The growth of the leading indicator picked up to 0.6% in March, double its increase in February. The advance was spurred by ongoing gains in housing and the stock market since the start of the year.	
Large urban transit, February 2006	7
Crude oil and natural gas production, February 2006	7
Steel wire and specified wire products, February 2006	7
Annual Survey of Manufactures and Logging, 2004	7
Industrial chemicals and synthetic resins, February 2006	7

New products	8
---------------------	---



Releases

Canada's international transactions in securities

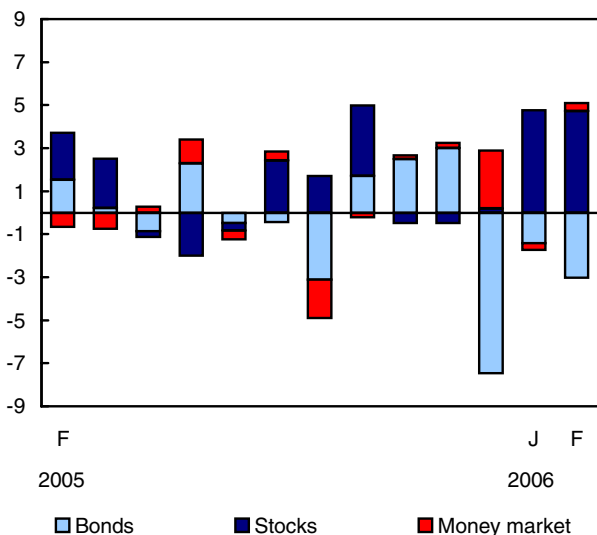
February 2006

Foreign investors purchased \$2.1 billion of Canadian securities in February after buying \$3.0 billion worth the month before. Investment occurred mainly in Canadian equities as foreign holdings of Canadian bonds fell for the third month in a row.

Canadian investors continued to acquire foreign securities in February, buying \$2.7 billion worth. Investment occurred in all asset classes with purchases of foreign equities leading the way.

Foreign portfolio investment in Canadian securities

\$ billions



Non-residents invest heavily in Canadian equities

Foreign investors purchased \$4.7 billion of Canadian equities in February, continuing the torrid pace set the month before when they acquired a similar amount. Total acquisitions for the first two months of 2006 have already surpassed the total for all of 2005. Essentially all of the month's purchases were in outstanding shares, and, as in recent months, the buying was dominated by shares of Canadian natural resource firms. Overall, US investors accounted for the vast majority of purchases of Canadian

Related market information

Both Canadian and US short-term **interest rates** increased in February, up 25 and 27 basis points respectively. With Canadian rates at 3.72% and US rates at 4.51% the differential between the two countries remained steady at 79 basis points.

Canadian long-term interest rates fell one basis point to 4.10% while US rates increased four basis points to 4.53%. Favouring investment in the United States, the resulting differential widened slightly to 43 basis points.

After posting a record close in January, Canadian **stock prices** as measured by the S&P/TSX Composite Index fell 2.2% in February with the index ending the month at 11,683.3. Meanwhile US stock prices, as measured by the Standard and Poor's Composite Index, remained unchanged closing the month at 1,280.7.

The **Canadian dollar** remained relatively steady, ending February at 87.98 US cents, an increase of 0.19 US cents from the month before.

Definitions

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

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.

shares over the month, buying \$3.7 billion, as they did in January (\$3.9 billion).

Foreign holdings of Canadian bonds continue to fall

Foreign holdings of Canadian bonds fell by \$3.0 billion in February, marking the third consecutive month of foreign divestment in these instruments. Although foreign investors purchased \$2.7 billion worth of outstanding issues in the month (mostly federal government issues), this was more than offset by net retirements (retirements less new issues) which totalled \$5.6 billion. Net retirements in February were concentrated in provincial government and corporate issues.

Transactions in Canadian bonds on a regional basis saw a net divestment of \$5.0 billion by US investors. Led by European investors, this was partly offset with buying from other regions totalling \$2.0 billion. On a currency basis, holdings of US dollar denominated Canadian bonds fell \$4.5 billion, the largest foreign divestment of US dollar denominated bonds since January 2003.

Foreign holdings of Canadian bonds denominated in overseas currencies also fell, down \$867 million. At the same time, foreign investors purchased \$2.3 billion of Canadian dollar denominated bonds.

Foreign investors purchased \$384 million of Canadian money market paper in February, reversing their sales of \$350 million worth the month before. Non-residents acquired \$779 million of corporate paper in February, their largest purchase since October 2004. These were partially offset by sales of \$395 million of government issues. Investors from Asia were responsible for the bulk of the purchases in February.

Canadians continue to purchase foreign securities

Canadian investors continued to purchase foreign securities in February marking the 13th consecutive month of buying. Over the month, Canadians acquired \$2.7 billion of foreign securities led by investment in equities (\$1.2 billion). Canadians invested heavily in US equities (\$1.8 billion) while selling off \$600 million worth of overseas shares.

After making a record investment in foreign bonds in January, acquisitions slowed considerably in February as Canadians purchased \$700 million worth. Canadians shied away from US bonds, selling off \$451 million, while investing \$1.2 billion in overseas bonds. This was the seventh straight month of acquisitions of overseas bonds. In February, Canadians also invested \$837 million in foreign money market paper, mostly in overseas paper.

Available on CANSIM: tables 376-0018 to 376-0029, 376-0042, 376-0058 and 376-0063.

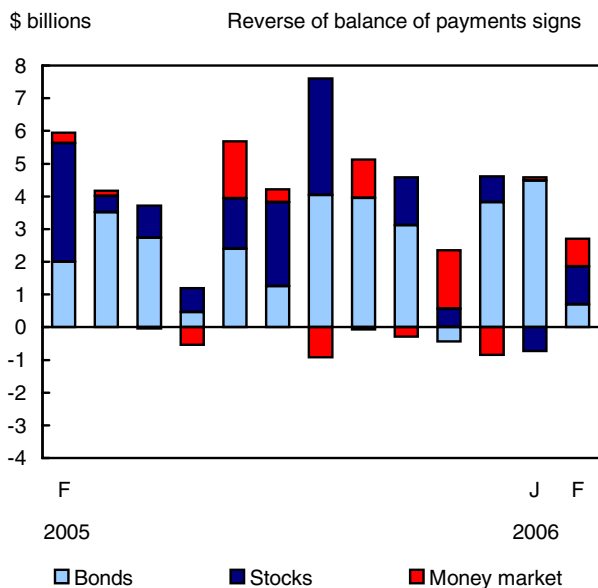
Definitions, data sources and methods: survey numbers, including related surveys, 1532, 1534, 1535 and 1537.

The February 2006 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 17.

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 Filipic (613-951-1864), Balance of Payments Division.

Canadian portfolio investment in foreign securities



Canada's international transactions in securities

	November 2005	December 2005	January 2006	February 2006	January to February 2005	January to February 2006
	\$ millions					
Foreign investment in Canadian securities	2,734	-4,572	3,004	2,078	3,726	5,082
Bonds (net)	3,010	-7,457	-1,412	-3,029	1,943	-4,441
Outstanding	1,815	314	-1,590	2,652	143	1,063
New issues	2,005	1,869	3,117	552	7,173	3,669
Retirements	-1,182	-8,114	-3,616	-6,199	-6,114	-9,814
Change in interest payable ¹	372	-1,526	676	-34	740	642
Money market paper (net)	236	2,690	-350	384	-1,160	34
Government of Canada	-428	1,827	1,122	-217	-480	906
Other	664	864	-1,472	601	-680	-871
Stocks (net)	-512	194	4,766	4,722	2,943	9,489
Outstanding	1,196	1,867	4,731	4,512	2,597	9,243
Other transactions	-1,708	-1,673	35	210	346	245
Canadian investment in foreign securities	-1,908	-3,758	-3,830	-2,696	-2,885	-6,527
Bonds (net)	441	-3,817	-4,475	-700	-2,780	-5,175
Stocks (net)	-568	-801	746	-1,160	-569	-414
Money market paper (net)	-1,781	860	-101	-837	464	-938

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.



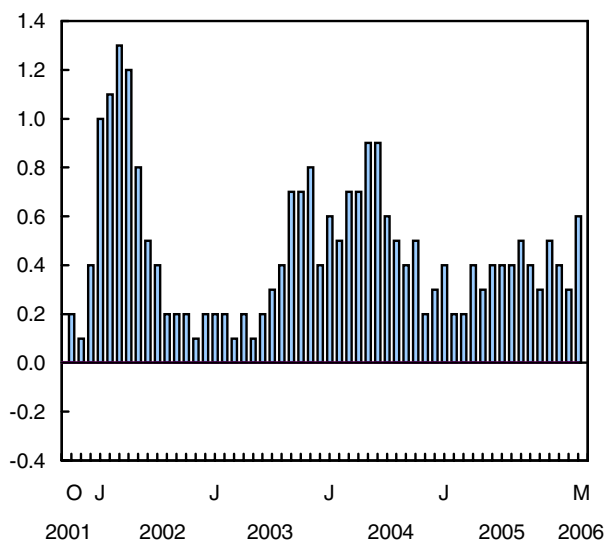
Leading indicators

March 2006

The growth of the leading indicator picked up to 0.6% in March, double its increase in February. The advance was spurred by ongoing gains in housing and the stock market since the start of the year. Only 2 of the 10 components declined, both related to manufacturing.

Composite leading indicator

Smoothed % change



The housing index rose 2.9%, its largest since last summer. Housing starts led the increase, especially in Alberta and British Columbia. While unusually warm weather helped new home construction in January, building remained strong in March even as temperatures returned to more seasonal norms.

The buoyancy of housing demand was reflected in a 1.8% surge in furniture and appliance sales, its most since June 1991. Demand for other durable goods eked out a small gain after declines in three of the previous four months. Auto sales remained lacklustre, having never returned to their peak rates of increase last summer when discounts proliferated.

The stock market hit another record in March, buoyed by metals whose prices recently replaced energy's as the focus of demand on commodity markets.

Manufacturers continued to struggle with sluggish demand and rising input costs. New orders trended down in March, and shipments followed suit after five months of modest gains. Losses in key export industries such as wood outweighed continued strong gains for investment goods, notably machinery and non-metallic minerals destined for the booming western provinces.

The strength of business spending was reflected in rising demand for business services. Firms responded to the pressure on profits by continuing to rein-in inventories (which fell even faster than shipments) and reducing labour costs by cutting the workweek and payrolls.

The underlying trend of US demand improved, with the US leading indicator growing 0.5%, the most in nearly two years. While housing has softened, solid job growth supported consumer spending while export and business investment demand remained solid.

Available on CANSIM: table 377-0003.

For more information on the economy, consult the April 2006 issue of *Canadian Economic Observer*, Vol. 19, no. 4 (11-010-XIB, \$19/\$182).

For more information, or to enquire about the concepts, methods or data quality of this release, contact Philip Cross (613-951-9162; ceo@statcan.ca), Current Economic Analysis Group. □

Leading indicators

	October 2005	November 2005	December 2005	January 2006	February 2006	March 2006	Last month of data available % change
Composite leading indicator (1992=100)	208.6	209.2	210.2	211.1	211.8	213.0	0.6
Housing index (1992=100) ¹	145.4	144.3	143.0	145.6	146.6	150.8	2.9
Business and personal services employment (⁰⁰⁰)	2,666	2,673	2,677	2,682	2,682	2,684	0.1
S&P/TSX stock price index (1975=1,000)	10,478	10,662	10,832	11,087	11,223	11,568	3.1
Money supply, M1 (\$ millions, 1992) ²	137,657	137,875	139,740	141,287	142,883	144,443	1.1
US Conference Board leading indicator (1992=100) ³	125.3	125.6	125.8	126.1	126.5	127.1	0.5
Manufacturing							
Average workweek (hours)	38.5	38.5	38.5	38.3	38.1	38.0	-0.3
New orders, durables (\$ millions, 1992) ⁴	25,962	26,140	26,418	26,575	26,700	26,513	-0.7
Shipments/inventories of finished goods ⁴	1.82	1.82	1.84	1.84	1.86	1.87	0.01 ⁵
Retail trade							
Furniture and appliance sales (\$ millions, 1992) ⁴	2,268	2,276	2,300	2,316	2,339	2,382	1.8
Other durable goods sales (\$ millions, 1992) ⁴	8,258	8,135	8,138	8,133	8,079	8,090	0.1
Unsmoothed composite leading indicator	209.4	210.0	211.9	213.4	214.2	215.4	0.6

1. Composite index of housing starts (units) and house sales (multiple listing service).
2. Deflated by the Consumer Price Index for all items.
3. The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the month immediately preceding.
4. The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the second preceding month.
5. Difference from previous month.



Large urban transit

February 2006 (preliminary)

Combined ridership on 10 large urban transit systems in Canada was 1.8% higher in February 2006 than it was for the same month in 2005.

Approximately 110.1 million passenger trips were taken on these transit systems in February. These systems account for about 80% of total urban transit in Canada.

The trips generated \$173 million in revenue in February (excluding subsidies), a 5.5% increase over February 2005.

Available on CANSIM: table 408-0004.

Definitions, data sources and methods: survey number 2745.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Dissemination Unit (1-866-500-8400; fax: 1-613-951-0009; transportationstatistics@statcan.ca), Transportation Division. ■

Crude oil and natural gas production

February 2006 (preliminary)

Provincial crude oil and marketable natural gas production data are now available for February.

Definitions, data sources and methods: survey number 2198.

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

Steel wire and specified wire products

February 2006

Data on steel wire and specified wire products production are now available for February.

Available on CANSIM: table 303-0047.

Definitions, data sources and methods: survey number 2106.

The February 2006 issue of *Steel, Tubular Products and Steel Wire* (41-019-XIE, \$6/\$51) will soon be available.

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

Annual Survey of Manufactures and Logging

2004

The Annual Survey of Manufactures and Logging collects information on over 250 different industries. Principal statistics for manufacturing industries are now available for Canada, the provinces and for the territories for 2004. The principal statistics for 2003 have been revised.

Available on CANSIM: table 301-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 2103 and 2107.

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

Industrial chemicals and synthetic resins

February 2006

Data on industrial chemicals and synthetic resins are now available for February.

Available on CANSIM: table 303-0014.

Definitions, data sources and methods: survey number 2183.

The February 2006 issue of *Industrial Chemicals and Synthetic Resins*, Vol. 49, no. 2 (46-002-XIE, \$6/\$51) is now available. See *How to order products*.

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

New products

Industrial Chemicals and Synthetic Resins,
February 2006, Vol. 49, no. 2
Catalogue number 46-002-XIE (\$6/\$51).

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; -XCB or -XCE are electronic versions on compact disc and -XBB or -XBE a database.

How to order products

To order by phone, please refer to:


- The title
 - The catalogue number
 - The volume number
 - The issue number
 - Your credit card number.
- From Canada and the United States, call: **1-800-267-6677**
From other countries, call: **1-613-951-7277**
To fax your order, call: **1-877-287-4369**
For address changes or account inquiries, call: **1-800-700-1033**

To order by mail, write to: Statistics Canada, Finance, 6th floor, R.H. Coats Bldg., Ottawa, K1A 0T6.
Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

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*.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.

Catalogue 11-001-XIE (if single) 11-001-XIE/0504-0507-01-01



Statistics Canada

Thursday, June 5, 1997
For release at 9:30 a.m.


MAJOR RELEASES


- **Urban transit, 1995** 2
Despite the emphasis on taking urban transit, Canadians are using 8 less automobiles in 1996 than Canadians took the average of about 1980 on some forms of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1995** 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

- **Married Index, May 1997** 3
- **Short-term Expectations Survey** 3
- **Steel primary forms, week ending May 31, 1997** 12
- **Egg production, April 1997** 12

PUBLICATIONS RELEASED 11


 Statistics Canada / Statistique Canada



Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

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

To access *The Daily* on the Internet, visit our site at <http://www.statcan.ca>. To receive *The Daily* each morning by e-mail, send an e-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2004. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001-XIE, along with date and page references.