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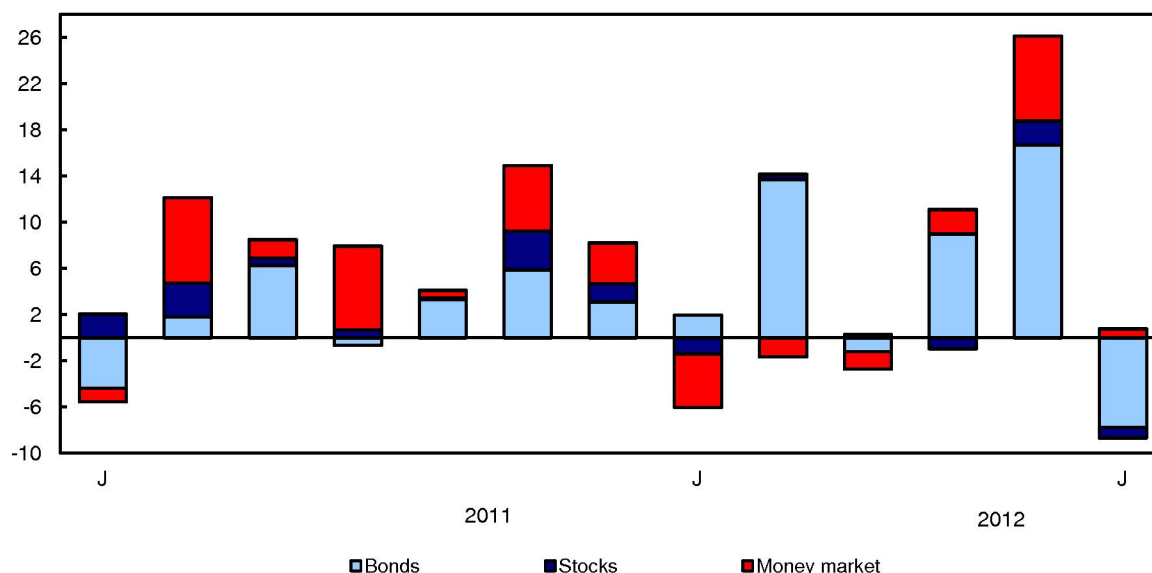
Foreign holdings of Canadian debt securities down on large retirements of bonds

Foreign investors reduced their holdings of Canadian bonds by \$7.8 billion in June, the largest divestment since December 2008. This resulted from a \$17.5 billion retirement of maturing instruments, mostly Canadian dollar denominated bonds from the federal government and its enterprises. These retirements were moderated by non-resident investment in Canadian bonds on the secondary market in June, mainly government securities.

Non-resident investors purchased \$0.8 billion of Canadian money market instruments in June, down from \$7.3 billion in May. Foreign investment of \$2.2 billion in federal paper was partially offset by a reduction in foreign holdings of government enterprise and corporate paper. Canadian short-term interest rates fell to their lowest level in 2012 by month-end.

Chart 1
Foreign portfolio investment in Canadian securities

billions of dollars



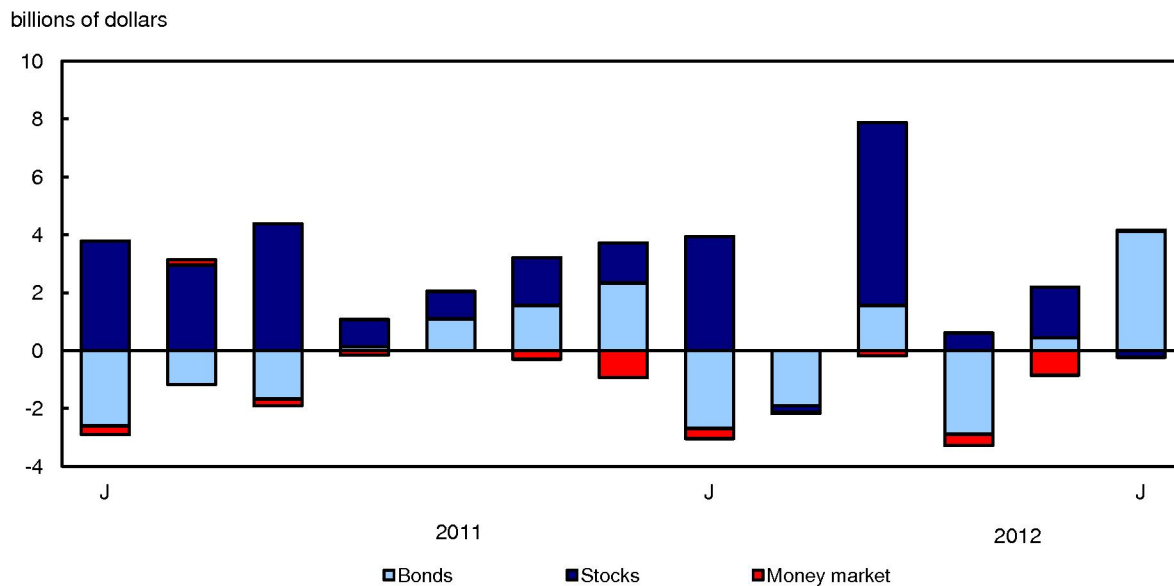
Non-resident holdings of Canadian equities edge down

Non-residents sold \$0.9 billion of Canadian stocks in June, following a \$2.1 billion investment in May. Sales were focused on shares from the energy and gold sectors. Canadian equity prices were up 0.7% in June, following three months of declines.

Canadian acquisition of foreign bonds led by US government securities

Canadian investors acquired \$4.1 billion of foreign bonds in June, the largest acquisition since November 2010. Activity was led by \$3.0 billion in acquisitions of US government bonds, largely short-term instruments, and was the largest such purchase in over five years. The remainder of the activity was largely composed of purchases of corporate debt in the maple bond market. The spread between Canadian and US long-term yields narrowed in June but remained favourable for investment in Canada, as the Canadian dollar appreciated against its US equivalent.

Chart 2
Canadian portfolio investment in foreign securities¹



Canadians sell foreign equities for the first time in four months

Canadian investors reduced their holdings of foreign equities by \$0.2 billion in June, as prices in major world equity markets increased after posting sizable declines in May. Sales of non-US foreign stocks, a first divestment in these instruments since April 2011, were moderated by further acquisitions of US stocks over the month.

Note to readers

The historical revision to the Canadian National Accounts is scheduled for release beginning in October 2012. Information on Canada's international transactions in securities new [CANSIM tables](#) and [output formats](#) is now available on the National economic accounts website, tables 376-0131 to 376-0138.

All values in this release are net transactions unless otherwise stated.

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.

Government of Canada paper includes treasury bills and US-dollar Canada bills.

Table 1
Canada's international transactions in securities

	April 2012	May 2012	June 2012	January to June 2011 ¹	January to June 2012 ¹
	millions of dollars				
Foreign investment in Canadian securities	10,155	26,108	-7,885	42,180	34,428
Bonds (net)	8,987	16,669	-7,758	24,409	32,362
Outstanding	5,382	11,660	6,950	28,055	34,617
New issues	4,491	9,388	5,912	28,607	36,155
Retirements	-1,468	-4,467	-17,544	-31,803	-37,720
Change in interest payable ²	582	88	-3,077	-450	-691
Money market paper (net)	2,109	7,345	783	5,973	2,478
Government of Canada	63	4,896	2,191	6,131	-3,336
Other	2,046	2,449	-1,407	-158	5,814
Stocks (net)	-942	2,095	-910	11,798	-412
Outstanding	-971	1,447	-987	12,967	-2,487
Other transactions	30	648	77	-1,168	2,075
Canadian investment in foreign securities	2,655	-1,347	-3,935	-5,166	-9,073
Bonds (net)	2,879	-442	-4,133	8,209	1,315
Money market paper (net)	388	844	-26	636	1,771
Stocks (net)	-612	-1,748	224	-14,011	-12,159

1. Cumulative transactions.

2. Interest accrued less interest paid.

Note(s): 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.

Available without charge in CANSIM: tables 376-0018 to 376-0029, 376-0042, 376-0058 and 376-0063.

Definitions, data sources and methods: survey number 1535.

The June 2012 issue of *Canada's International Transactions in Securities* (67-002-X, free) will soon be available.

Data on Canada's international transactions in securities for July will be released on September 17.

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Yiling Zhang (613-951-2057; yiling.zhang@statcan.gc.ca), Balance of Payments Division.

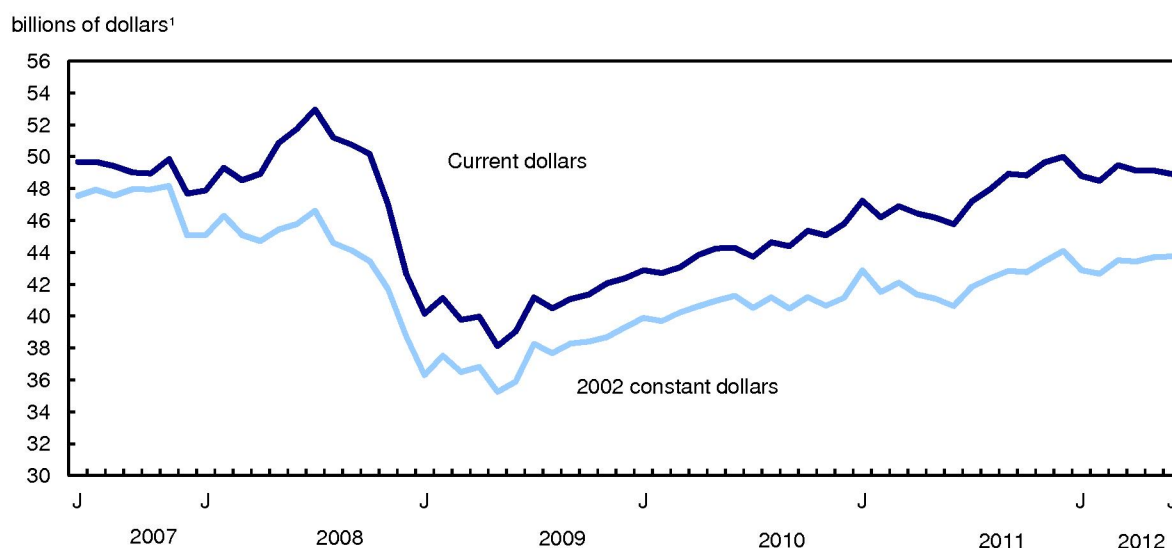
Monthly Survey of Manufacturing, June 2012

Manufacturing sales fell 0.4% to \$48.9 billion in June, reflecting a 10.6% drop in sales of petroleum and coal products. Excluding petroleum and coal products, sales rose 1.1%. In June, 12 of 21 industries reported sales increases, representing approximately 60% of Canadian manufacturing.

Manufacturing sales have declined in four of the past six months.

Sales of non-durable goods fell 2.7% while durable goods sales increased 1.6%. Constant dollar sales increased 0.1%.

Chart 1 Current dollar sales decrease



Petroleum and coal product sales continue to fall

Sales of petroleum and coal products fell 10.6% in June. A number of factors contributed to the decline, including a 4.9% drop in prices, ongoing shutdowns at a number of refineries as well as lower volumes at other refineries. This decline reflected an 18.1% drop in imports of crude petroleum used as raw materials by Canadian refineries, and a 2.9% decline in exports of petroleum and coal products in June.

Sales of petroleum and coal products have fallen 23.2% since the most recent high in March 2012 and are now at their lowest level since August 2010. Nonetheless, sales in the second quarter of 2012 were 2.7% higher than the same quarter of 2011.

Increased sales of machinery and transportation equipment were partially offset by the drop in petroleum and coal product sales.

Transportation equipment sales increased 1.7% to \$9.2 billion, the highest level since November 2007. The gain reflected increases in all but one of the transportation sub-industries. Motor vehicle sales advanced 0.7% in June, the 11th increase in 12 months. Sales of motor vehicles were up 40.2% in June compared with June 2011, as the industry recovered from the supply chain disruptions related to the 2011 tsunami. Production in the aerospace product and parts industry rose 2.2%, while sales of motor vehicle parts advanced 1.1%.

Machinery manufacturers reported a 5.2% increase in sales, following two months of declines. The gain reflected higher sales in commercial and service industry machinery manufacturing.

Manufacturing sales down in six provinces

Sales were down in six provinces in June, with the largest declines posted in Alberta and New Brunswick.

Sales in Alberta declined 2.6% to \$6.0 billion — the third consecutive monthly decrease. Petroleum and coal products were the primary reason for the decrease, with sales dropping 19.3% in the industry. Excluding petroleum and coal products, sales in Alberta rose 2.8%. Machinery manufacturers reported a 9.8% increase in sales, the largest in the province. The advance in machinery was led by rising sales in agricultural, construction and mining machinery as well as other general-purpose machinery — industries that produce products used in oil and gas infrastructure projects.

In New Brunswick, sales fell 12.6% to \$1.5 billion following a 9.5% gain in May. The decline was mainly attributable to the non-durable goods industries.

Higher sales in Ontario partially offset the overall declines. Sales advanced 0.5% to \$22.6 billion, reflecting a 1.2% gain in the transportation equipment industry. Motor vehicle manufacturing sales rose 0.6%, the 11th increase in 12 months. Machinery manufacturing also contributed to the gain, up 4.9% to \$1.4 billion.

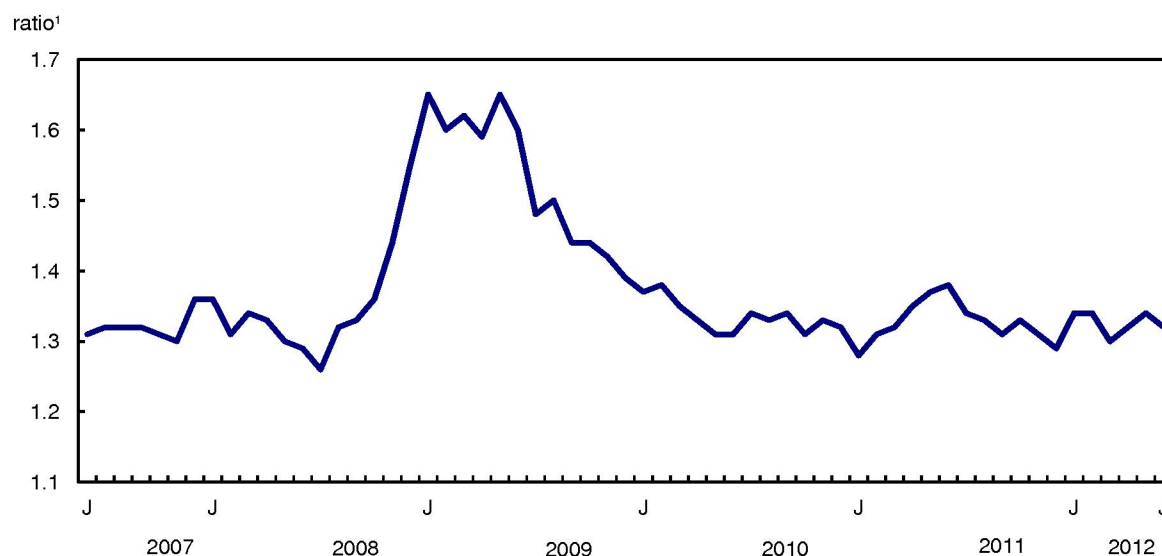
Sales in Saskatchewan rose 8.0% to \$1.2 billion, the largest gain since May 2011. This increase was led by the non-durable goods industries.

Inventory levels fall

Inventories fell 1.7% in June to \$64.8 billion, the first decrease in three months. Lower inventory levels of petroleum and coal products as well as aerospace product and parts were responsible for the overall decline.



Chart 3
The inventory-to-sales ratio declines

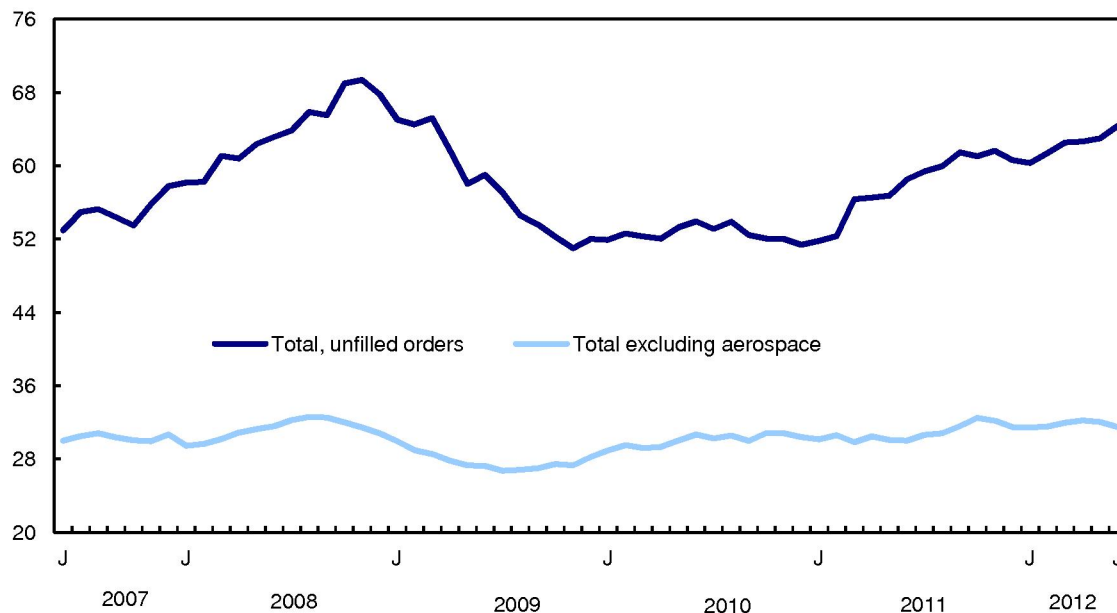


Unfilled orders rise

Unfilled orders rose 2.2% in June to \$64.3 billion, reflecting an increase in aerospace product and parts. Excluding this industry, unfilled orders decreased 1.8% as producers of machinery and computer and electronic products reported fewer unfilled orders.

Chart 4
Unfilled orders rise

billions of dollars¹



1. Seasonally adjusted.

In the aerospace product and parts industry, unfilled orders increased 6.3% to \$32.9 billion. This was the highest level of unfilled orders since April 2009.

Manufacturers in the machinery industry reported a 2.8% decline in unfilled orders in June, the first decrease in five months. Unfilled orders in the computer and electronic products industry fell to their lowest level since December 2004, down 6.4%.

New orders advanced 1.7% to \$50.3 billion in June, largely as a result of an increase in aerospace product and parts. The increase was partly counterbalanced by the decline in petroleum and coal products.

Note to readers

The 2011 manufacturing review was released on August 3, 2012. This annual report (11-621-M2012090) examines recent trends for sales by industry and other relevant variables related to manufacturing.

All data in this release are seasonally adjusted and are expressed in current dollars unless otherwise specified. For more information on seasonal adjustment, see [Seasonal adjustment and identifying economic trends](#).

Preliminary data are provided for the current reference month. Revised data, based on late responses, are updated for the three previous months.

Non-durable goods industries include food, beverage and tobacco products, textile mills, textile product mills, clothing, leather and allied products, paper, printing and related support activities, petroleum and coal products, chemicals, and plastics and rubber products.

Durable goods industries include wood products, non-metallic mineral products, primary metal, fabricated metal products, machinery, computer and electronic products, electrical equipment, appliances and components, transportation equipment, furniture and related products and miscellaneous manufacturing.

Production-based industries

For the aerospace industry and shipbuilding industries, the value of production is used instead of sales of goods manufactured. This value is calculated by adjusting monthly sales of goods manufactured by the monthly change in inventories of goods in process and finished products manufactured.

Unfilled orders are a stock of orders that will contribute to future sales assuming that the orders are not cancelled.

New orders are those received whether sold in the current month or not. New orders are measured as the sum of sales for the current month plus the change in unfilled orders from the previous month to the current month.

Table 1
Manufacturing: Principal statistics – Seasonally adjusted

	June 2011	May 2012 ^r	June 2012 ^p	May to June 2012	June 2011 to June 2012
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	45,751	49,116	48,904	-0.4	6.9
Manufacturing sales (2002 constant dollars)	40,618	43,706	43,736	0.1	7.7
Manufacturing sales excluding motor vehicles, parts and accessories (current dollars)	40,859	42,463	42,196	-0.6	3.3
Inventories	63,317	65,877	64,761	-1.7	2.3
Unfilled orders	58,533	62,981	64,345	2.2	9.9
Unfilled orders excluding motor vehicles, parts and accessories	57,913	62,470	63,851	2.2	10.3
New orders	47,551	49,448	50,268	1.7	5.7
New orders excluding motor vehicles, parts and accessories	42,649	42,827	43,577	1.7	2.2
Inventory-to-sales ratio	1.38	1.34	1.32

^r revised

^p preliminary

... not applicable

1. Percent change calculated at thousands of dollars for current dollars, and millions of dollars for constant dollars.

Table 2
Manufacturing sales: Industry aggregates – Seasonally adjusted

	June 2011	May 2012 ^r	June 2012 ^p	May to June 2012	June 2011 to June 2012
	millions of dollars			% change ¹	
Food manufacturing	6,886	6,935	6,987	0.8	1.5
Beverage and tobacco product	880	935	929	-0.7	5.6
Textile mills	136	141	143	1.3	5.3
Textile product mills	143	139	139	-0.2	-3.1
Clothing manufacturing	187	170	174	2.3	-7.2
Leather and allied product	33	34	35	5.2	8.4
Wood product	1,450	1,597	1,639	2.6	13.1
Paper manufacturing	2,240	2,091	2,081	-0.5	-7.1
Printing and related support activities	703	698	711	1.8	1.2
Petroleum and coal product	5,917	6,439	5,758	-10.6	-2.7
Chemical	3,936	4,031	4,022	-0.2	2.2
Plastics and rubber products	1,838	1,904	1,915	0.5	4.2
Non-metallic mineral product	1,103	1,175	1,151	-2.1	4.3
Primary metal	3,961	3,937	3,984	1.2	0.6
Fabricated metal product	2,735	2,948	2,945	-0.1	7.7
Machinery	2,815	3,101	3,263	5.2	15.9
Computer and electronic product	1,344	1,229	1,218	-0.9	-9.4
Electrical equipment, appliance and component	820	838	871	3.9	6.2
Transportation equipment	6,962	9,048	9,203	1.7	32.2
Motor vehicle	3,310	4,610	4,641	0.7	40.2
Motor vehicle body and trailer	292	334	321	-4.2	9.9
Motor vehicle parts	1,582	2,043	2,067	1.1	30.6
Aerospace product and parts	1,218	1,506	1,540	2.2	26.4
Railroad rolling stock	133	134	163	21.6	21.9
Ship and boat building	90	102	114	11.9	26.9
Furniture and related product	884	919	934	1.6	5.7
Miscellaneous manufacturing	779	806	803	-0.4	3.1
Non-durable goods industries	22,898	23,518	22,893	-2.7	0.0
Durable goods industries	22,854	25,599	26,011	1.6	13.8

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.

Table 3
Manufacturing sales: Provinces and territories – Seasonally adjusted

	June 2011	May 2012 ^r	June 2012 ^p	May to June 2012	June 2011 to June 2012
	millions of dollars			% change ¹	
Canada	45,751	49,116	48,904	-0.4	6.9
Newfoundland and Labrador	248	659	604	-8.4	144.1
Prince Edward Island	101	108	105	-3.3	4.3
Nova Scotia	897	857	871	1.7	-2.9
New Brunswick	1,572	1,672	1,461	-12.6	-7.1
Quebec	11,346	11,559	11,532	-0.2	1.6
Ontario	20,450	22,541	22,647	0.5	10.7
Manitoba	1,335	1,270	1,308	3.0	-2.0
Saskatchewan	1,062	1,126	1,216	8.0	14.5
Alberta	5,631	6,118	5,957	-2.6	5.8
British Columbia	3,106	3,199	3,198	0.0	3.0
Yukon	3	5	4	-27.8	20.3
Northwest Territories and Nunavut	1	2	1	-22.0	54.4

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.

Available without charge in CANSIM: tables 304-0014, 304-0015 and 377-0008.

Definitions, data sources and methods: survey number 2101.

Data from the July Monthly Survey of Manufacturing will be released on September 14.

For further information regarding the Monthly Survey of Manufacturing, contact Statistics Canada's National Contact Centre (613-951-8116; toll-free 1-800-263-1136; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Elton Cryderman at 613-951-4317; elton.cryderman@statcan.gc.ca, Manufacturing and Energy Division.

Civil aviation operating statistics, June 2012

Operational data on civil aviation are now available for June.

Available without charge in CANSIM: tables 401-0001 and 401-0043.

Definitions, data sources and methods: survey number 5026.

A [data table](#) is also available from the *Key resource* module of our website under *Summary tables*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca) or the Media Hotline (613-951-4636; mediahotline@statcan.gc.ca).

Crude oil and natural gas production, June 2012

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

Definitions, data sources and methods: survey number 2198.

For more information, contact Statistics Canada's National Contact Centre
(toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Anthony Caouette
(613-951-2515), Manufacturing and Energy Division.

Primary iron and steel, June 2012

Data on primary iron and steel are now available for June.

Available without charge in CANSIM: tables 303-0048 to 303-0051.

Definitions, data sources and methods: survey numbers 2116 and 2184.

The June 2012 issue of *Steel, Tubular Products and Steel Wire* (41-019-X, free) will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca) or the Media Hotline (613-951-4636; mediahotline@statcan.gc.ca).

Commercialization of intellectual property in the higher education sector, 2009

Results from the 2009 Survey of Intellectual Property Commercialization in the Higher Education Sector are now available.

Note to readers

This is the final release of the Survey of Intellectual Property Commercialization in the Higher Education Sector, which has been discontinued.

Available without charge in CANSIM: table 358-0025.

Definitions, data sources and methods: survey number 4222.

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, or for custom tabulations, contact Rad Joseph (613-951-6830; robert.joseph@statcan.gc.ca) or Cindy Carter (613-951-1856; cindy.carter@statcan.gc.ca), Investment, Science and Technology Division.

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