

The Daily

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National net worth increased 2.7% to \$7.7 trillion in the fourth quarter, reaching \$218,500 on a per capita basis. This followed a 2.5% gain in the third quarter.

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Releases

National balance sheet and financial flow accounts, fourth quarter 2013

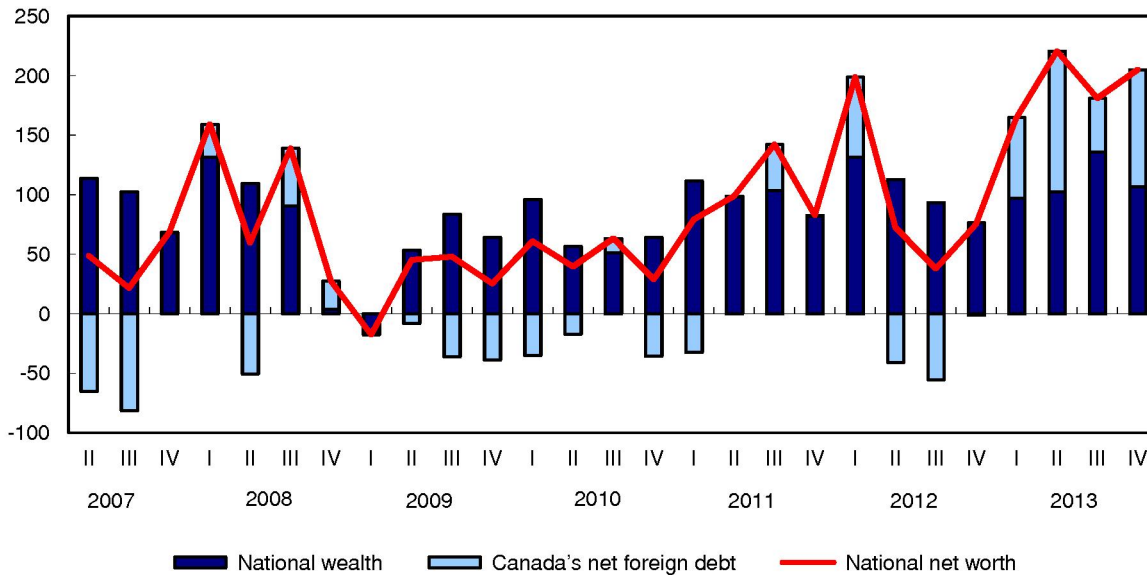
National net worth increased 2.7% to \$7.7 trillion in the fourth quarter, reaching \$218,500 on a per capita basis. This followed a 2.5% gain in the third quarter.

Economy-wide non-financial assets, or national wealth, advanced 1.4% or by \$107 billion to \$7.7 trillion at the end of the fourth quarter, mainly on gains in the value of residential and non-residential real estate. The increase in national wealth was the main contributor to the higher national net worth.

Canada's net foreign debt declined by \$98.1 billion, edging Canada into a net asset position of \$26.7 billion by the end of the fourth quarter. The decline was attributable to relatively stronger foreign equity markets and a weaker Canadian dollar, which raised the value of Canada's international assets more than it increased the value of its international liabilities.

Chart 1
Changes in national net worth

billions of dollars



Borrowing and debt of non-financial sectors

Funds raised by domestic non-financial sectors on financial markets totalled \$47.0 billion in the fourth quarter, led by non-financial private corporations' equity and bond issues as well as bank loans. Credit market debt (consumer credit, mortgages, loans, short-term paper and bonds) of domestic non-financial sectors increased 0.9% to \$4.3 trillion at the end of the fourth quarter, led by household mortgages and corporate and provincial government bond debt. This followed a 1.5% gain in the third quarter.

Bonds (\$1.5 trillion) and mortgages (\$1.4 trillion) accounted for most of the total outstanding credit market debt at the end of the fourth quarter.

Household sector

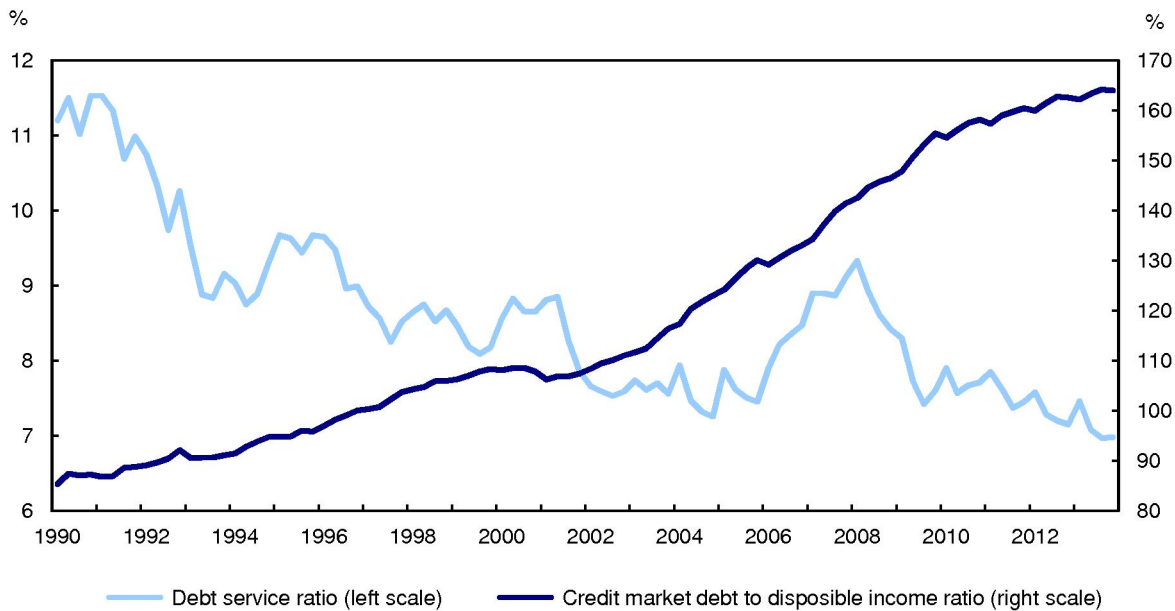
Household net worth advanced 3.0% in the fourth quarter, led by a 5.9% gain in the value of shares and other equities. Shares and other equities grew on the basis of the continued strength in domestic and foreign equity markets. The increase in household net worth was also supported by a 1.6% gain in the value of household real estate. On a per capita basis, household net worth rose to \$217,700 in the fourth quarter.

The ratio of financial assets to non-financial assets continued its general upward trend, which began after the market decline in 2008 when equity prices decreased sharply. At the end of the fourth quarter, the ratio stood at 118.4%, up from 115.9% in the previous quarter.

At the end of the fourth quarter, mortgage debt stood at just over \$1.1 trillion, up 1.1% over the previous quarter. Consumer credit debt reached \$508 billion at quarter end, up 0.5% over the third quarter.

Leverage, as measured by household credit market debt to disposable income, edged down from 164.2% in the third quarter to 164.0% in the fourth quarter. The household debt service ratio, defined as household mortgage and non-mortgage interest paid divided by disposable income, remained at a record low. Owner's equity as a percentage of real estate was 69.5% at the end of the fourth quarter, marginally higher than the 69.4% recorded at the end of the previous quarter.

Chart 2
Household sector leverage indicators



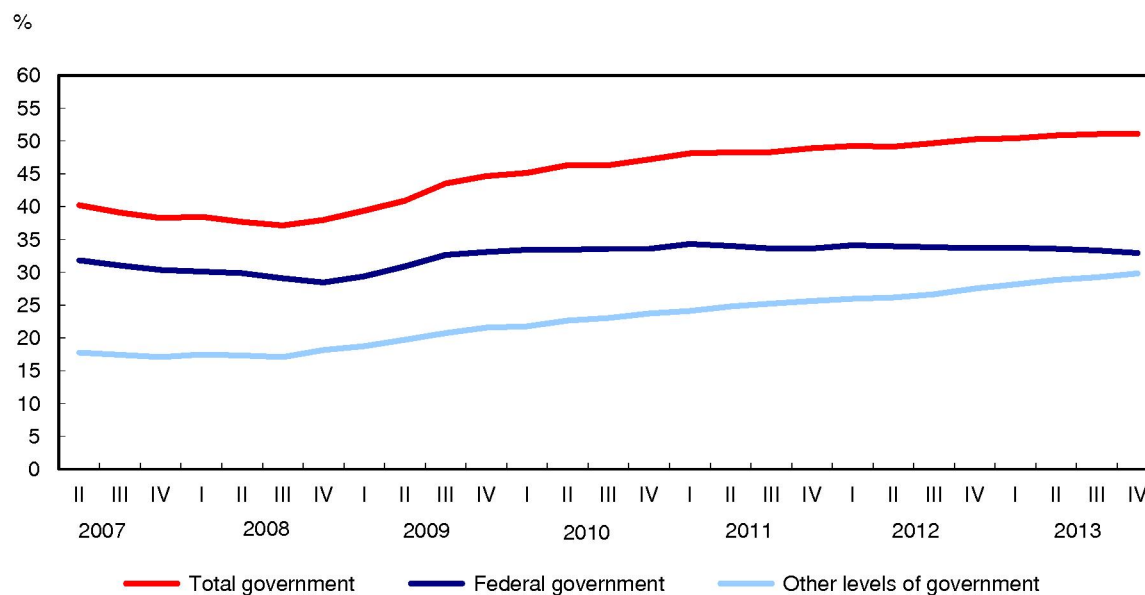
Household demand for funds has moderated over the past six years. The average quarterly growth in mortgage debt in this period was 1.8%, while that of consumer credit debt was 1.3%. In contrast, the average quarterly growth in mortgage debt and consumer credit debt were both higher at 2.5% each from 2002 to 2007.

Government sector

Total government net debt (expressed at book value) rose from \$949 billion in the third quarter to \$960 billion in the fourth quarter. Net borrowing by total government stood at \$13.2 billion at the end of the fourth quarter.

The ratio of total government net debt to gross domestic product was 51.1% at the end of the fourth quarter, the same level as in the third quarter. The ratio for the federal government decreased for a third consecutive quarter, while the ratio for the other levels of government continued its upward trend, which began in 2008.

Chart 3
Net debt (book value) as a percentage of gross domestic product



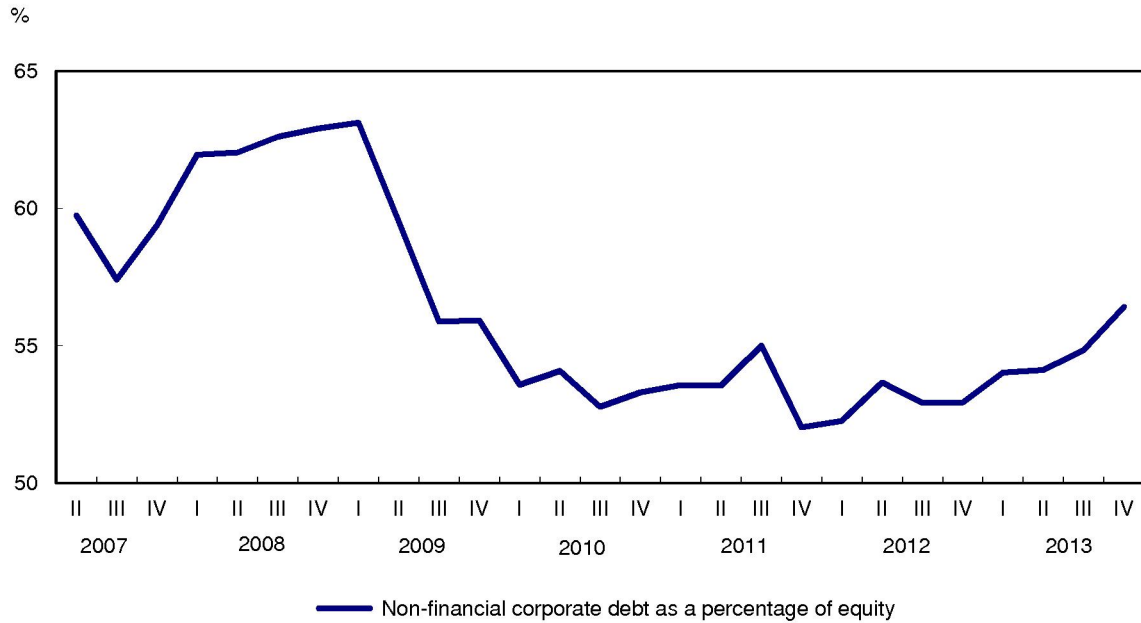
Corporate sector

The corporate sector remained a net lender to the rest of the economy, led by financial corporations. Corporate net lending amounted to \$6.3 billion in the fourth quarter, down from \$8.0 billion in the previous quarter.

At the end of the fourth quarter, financial assets of financial corporations increased by \$188 billion to surpass \$10 trillion. Foreign equity assets accounted for the largest share of this gain, followed by Canadian equity, reflecting strong price gains.

Non-financial private corporations demand for funds was \$34.3 billion during the fourth quarter. On a book value basis, the debt-to-equity ratio of non-financial corporations was 56 cents of credit market debt for every dollar of equity at the end of the fourth quarter. This ratio has been relatively stable since the end of 2009.

Chart 4
Non-financial corporate debt-to-equity ratio



Note to readers

This release is a combined analysis of the National balance sheet accounts and Financial flow accounts. The National balance sheet accounts comprise the balance sheets of all sectors and subsectors of the economy. The main sectors are households, non-profit institutions serving households, financial corporations, non-financial corporations, government and non-residents. They cover all national non-financial assets and financial asset-liability claims outstanding in all sectors.

The Financial flow accounts (FFA) measure net lending or borrowing by examining financial transactions in the economy by sector. The FFA arrive at a measure of net financial investment, which is the difference between transactions in financial assets and liabilities (for example, net purchases of securities less net issuance of securities). The FFA also provide the link between financial and non-financial activity in the economy, which ties estimates of saving and non-financial capital acquisition (for example, investment in new housing) with the underlying financial transactions.

Definitions concerning financial indicators can be found in "Financial indicators from the National Balance Sheet Accounts."

Table 1
National balance sheet accounts – Market value, not seasonally adjusted

	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013	Third quarter 2013	Fourth quarter 2013	Third quarter to fourth quarter 2013
billions of dollars							
National net worth	6,878	6,954	7,119	7,339	7,520	7,725	205
Period-to-period percentage change	0.6	1.1	2.4	3.1	2.5	2.7	...
National wealth	7,179	7,256	7,353	7,456	7,592	7,699	107
Period-to-period percentage change	1.3	1.1	1.3	1.4	1.8	1.4	...
Canada's net foreign debt	301	302	235	116	71	-27	-98
dollars							
National net worth, by sector							
Household sector	6,955	7,062	7,252	7,313	7,471	7,698	227
Non-profit institutions serving the household sector	74	75	71	72	73	75	2
Corporate sector	95	73	43	182	167	149	-18
General government sector	-245	-257	-247	-229	-191	-196	-5
dollars							
National net worth per capita	196,500	198,400	203,200	208,700	213,100	218,500	5,400

... not applicable

Note(s): Data may not add up to totals as a result of rounding.

Table 2
Households and non-profit institutions serving household sector indicators – Market value, not seasonally adjusted

	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013	Third quarter 2013	Fourth quarter 2013
%						
Household sector						
Debt to gross domestic product (GDP)	93.92	94.09	94.27	95.15	95.43	95.15
Debt to disposable income	164.98	164.76	164.37	165.41	166.30	166.08
Credit market debt to disposable income	162.76	162.62	162.22	163.33	164.20	163.97
Consumer credit and mortgage liabilities to disposable income	151.98	151.71	151.55	152.63	153.59	153.62
Net worth as a percentage of disposable income	676.18	679.43	691.74	692.22	700.15	714.84
Debt to total assets	19.61	19.52	19.20	19.29	19.19	18.85
Debt to net worth	24.40	24.25	23.76	23.90	23.75	23.23
Credit market debt to net worth	24.07	23.94	23.45	23.59	23.45	22.94
Consumer credit and mortgage liabilities to net worth	22.48	22.33	21.91	22.05	21.94	21.49
Total assets to net worth	124.40	124.25	123.76	123.90	123.75	123.23
Financial assets to net worth	66.37	66.73	66.94	66.44	66.44	66.80
Financial assets to non-financial assets	114.36	116.01	117.81	115.64	115.94	118.39
Owner's equity as a percentage of real estate	69.17	69.02	69.32	69.47	69.41	69.54
Real estate as a percentage of disposable income	338.94	337.42	340.20	344.75	347.13	349.39
Households and non-profit institutions serving the household sector						
Debt to GDP	96.20	96.40	96.52	97.42	97.70	97.43
Debt to disposable income	164.86	164.68	164.19	165.28	166.14	165.92
Credit market debt to disposable income	159.65	159.54	159.12	160.25	161.09	160.84

Table 3
Corporations sector indicators – Not seasonally adjusted

	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013	Third quarter 2013	Fourth quarter 2013
	%					
Corporations sector						
Private non-financial corporations total debt to equity (market value)	183.82	183.67	183.68	188.94	188.77	187.38
Private non-financial corporations credit market debt to equity (book value)	52.92	52.94	54.02	54.12	54.84	56.42

Table 4
General government sector indicators – Not seasonally adjusted

	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013	Third quarter 2013	Fourth quarter 2013
	%					
General government sector						
General government gross debt (book value) to gross domestic product (GDP)	110.78	110.43	111.34	112.86	112.40	111.37
Federal general government gross debt (book value) to GDP	49.02	48.78	49.35	49.47	49.25	47.84
Other levels of general government gross debt (book value) to GDP	60.88	60.58	60.54	61.26	61.43	61.50
General government net debt (book value) to GDP	49.67	50.26	50.42	50.85	51.05	51.07
Federal general government net debt (book value) to GDP	33.81	33.69	33.72	33.59	33.31	32.92
Other levels of general government net debt (book value) to GDP	26.63	27.51	28.17	28.85	29.24	29.80

Available in CANSIM: tables 378-0119 to 378-0125.

Definitions, data sources and methods: survey numbers 1804 and 1806.

The [System of macroeconomic accounts](#) module, accessible from the *Browse by key resource* module of our website, features an up-to-date portrait of national and provincial economies and their structure.

Links to other releases from the national accounts can be found in the fourth quarter 2013 issue of *Canadian Economic Accounts Quarterly Review*, Vol. 12, no. 4 (13-010-X). This publication is available from the *Browse by key resource* module of our website under *Publications*. Revised national balance sheet and financial flow accounts for the first quarter have been released, along with those for the second quarter. These data incorporate new and revised source data and updated data.

Data on National balance sheet accounts and financial flow accounts for the first quarter will be released on June 19.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New motor vehicle sales, January 2014

New motor vehicle sales data are now available for January.

Note to readers

These data are subject to revision.

Available in CANSIM: table 079-0003.

Definitions, data sources and methods: survey number 2402.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Ontario First Nations Point-of-Sale Rebate Survey, 2012

Data from the Ontario First Nations Point-of-Sale Rebate Survey are now available for 2012.

Definitions, data sources and methods: survey number 5205.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Debbie Hills (613-951-0063; debbie.hills@statcan.gc.ca), Centre for Special Business Projects.

Canadian Community Health Survey: Rapid response on discrimination, 2013

New data on discrimination are now available for custom requests from the rapid response component of the Canadian Community Health Survey – Annual Component.

Note to readers

The data were collected from all provinces between July and October 2013. This module is a slightly revised version of the Everyday Discrimination Scale developed by Dr. David R. Williams in 1997. Respondents were asked about their perception of discrimination in their day-to-day life because of various characteristics such as their ethnicity, sex, age and weight. The module also includes questions about perception of discrimination in their experiences with health care services. The addition of these questions to the Canadian Community Health Survey was sponsored by the Public Health Agency of Canada.

Definitions, data sources and methods: survey number 3226.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

There are no new products today.

Release dates: March 17 to 21, 2014

(Release dates are subject to change.)

Release date	Title	Reference period
17	Canada's international transactions in securities	January 2014
18	Monthly Survey of Manufacturing	January 2014
18	Job vacancies	Three-month average ending in December 2013
19	Wholesale trade	January 2014
19	Canada's population estimates	Fourth quarter 2013
19	Travel between Canada and other countries	January 2014
20	Employment Insurance	January 2014
21	Consumer Price Index	February 2014
21	Retail trade	January 2014

See also the release dates for major economic indicators for the rest of the year.



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