

any interest payment date or after June 15, 1950. Of the total loan amounting to \$836,820,250, \$730,376,250 was issued for cash and the remainder, \$106,444,000, was issued in conversion of 5 p.c. bonds due Nov. 15, 1941. The five and one-half year maturity was issued in an amount of \$193,286,000 and \$643,534,250 was issued in the ten-year maturity. The total number of subscribers was 968,259.

An issue of \$200,000,000 two-year 2 p.c. notes due Oct. 16, 1941, was refunded by means of an issue of \$200,000,000 three-year 1½ p.c. notes due Oct. 16, 1944.

In February, 1942, the Second Victory Loan was sold. This issue, the fourth public issue of the present war, and the largest in the financial history of the Dominion up to that time, was sold in a total amount of \$997,503,300 and was purchased by over 1,681,000 subscribers, according to preliminary figures. This issue was offered in three maturities at par—two and one-half year 1½ p.c. bonds dated Mar. 1, 1942, and maturing Sept. 1, 1944; six-year 2¼ p.c. bonds dated Mar. 1, 1942, and maturing Mar. 1, 1948, and twelve-year 3 p.c. bonds due Mar. 1, 1954. The two and one-half year and the six-year bonds are non-callable until maturity. The twelve-year issue is payable at maturity at 101 p.c. and is subject to redemption at the option of the Government on any interest payment date on or after Mar. 1, 1952, at 101 p.c. Preliminary figures show that of the total volume of subscriptions of \$997,503,300, \$843,924,300 represented cash subscriptions and \$153,579,000 represented conversions of 1½ p.c. and 2 p.c. bonds due May 15, 1942, and June 1, 1942, respectively.

In addition to the foregoing issues, the Dominion initiated the sale of War Savings Certificates in May, 1940. These certificates are sold at a discount and, if held to maturity, are equivalent to a yield of 3 p.c. compounded semi-annually. The amount issued (maturity value) to Mar. 31, 1942, was \$133,473,762.

In July, 1940, the Government, in response to many public requests, authorized the issue of Non-Interest Bearing Certificates. These Certificates are dated the 15th of the month in which payment is received and mature June 15, 1945, the registered holder having the option to redeem his Certificates at par at any time after six months from the date of issue. These Certificates are issued in registered form in any amount not less than one dollar and are non-transferable. The amount issued to Mar. 31, 1942, was \$10,765,678.

In addition to providing funds for war and general purposes, it has been necessary to furnish funds for the repatriation of sterling issues held in Great Britain. These repatriation operations have the ultimate effect of making available Canadian dollars to the United Kingdom for the purchase of Canadian primary commodities and manufactured products required for the prosecution of the War.

The first such operation was the calling for redemption on Apr. 17, 1940, of Dominion of Canada 3½ p.c. Registered Stock due July 1, 1950, but subject to redemption at any time after July 1, 1930. This issue was outstanding in the amount of £28,162,775-11-0 of which amount £7,732,779-18-9 was held in various sinking fund accounts. As a result of this operation, Canadian dollars to the amount of approximately \$91,000,000 were made available to the Government of the United Kingdom.