

Canadian Assets Abroad.—Canada's external assets have changed greatly in size and composition in recent years. The total value, including holdings of gold and liquid reserves in foreign currencies, rose from \$1,876,000,000 in 1939 to \$5,454,000,000 at the end of 1950. The principal factor in this increase was the extension by the Federal Government of loans and export credits to the United Kingdom and other countries. At the end of 1950, Canadian Government credits outstanding totalled \$1,990,000,000. Included in this total was about \$256,000,000 outstanding on the 1942 loan to the United Kingdom, \$1,185,000,000 drawn on the 1946 loan to the United Kingdom and \$535,000,000 of post-war export credits and advances. In addition, at the end of 1950, official liquid reserves, including gold and official United States dollar balances, aggregated about \$1,876,000,000 and these reserves were higher at that date than in any earlier year. In addition, Canada had subscribed in 1946 and 1947 to the capital of the International Bank and the International Monetary Fund and by the end of 1951 such subscriptions amounted to \$70,900,000 and \$322,500,000, respectively. A small part of the subscription to the Bank was in the form of convertible exchange and \$75,000,000 of the subscription to the Fund was in gold. The remainder of both subscriptions was made in the form of demand notes of the Federal Government or in Canadian funds.

Besides the officially owned assets referred to above, there were the privately owned investments in the form of foreign securities and property owned by Canadian companies and individuals. In 1939, these privately owned assets constituted most of the total value of Canadian assets abroad, whereas, since the end of World War II they amounted to only a minor part of the total, chiefly because of the sharp rise in officially owned assets. Total privately owned portfolio investments abroad declined in value since 1939 because of the liquidations of Canadian holdings of United States securities. Portfolio holdings of foreign securities owned in Canada were reduced from \$719,000,000 at the end of 1939 to \$598,000,000 at the end of 1950. This decline was less than the total sales of these securities by private investors during the period, as there was a considerable increase in the book value of holdings of United States stocks. Appreciable gains occurred in Canadian direct investments in businesses outside Canada which had a value of \$990,000,000 at the end of 1950 compared with \$671,000,000 at the end of 1939. By the end of 1951, the value of this group of investments had risen to well over \$1,100,000,000.

11.—Canadian Assets Abroad, 1939, 1946 and 1948-50

NOTE.—Excludes investments of insurance companies.

Assets	1939	1946	1948	1949	1950
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000
Direct investments in businesses outside Canada...	671	772	788	904	990
Portfolio holdings of foreign securities.....	719	551	605	638	598
Government credits.....	31	1,382	1,878	2,000	1,990
Official balances abroad and gold.....	455	1,251	1,006	1,232	1,876
Totals, Canadian Assets Abroad.....	1,876	3,936	4,277	4,774	5,454