

accepted the exchange risk by going to the New York market where, at times, funds were more readily available. As a result, Canadian bond sales in the United States increased considerably in 1956 although they were down somewhat for the entire year 1955 compared with 1954. Total sales on the American market for the three years were \$470,532,982 in 1956, \$154,563,000 in 1955 and \$173,598,000 in 1954. The drop in 1955 was accounted for by the fact that money was fairly plentiful in Canada in the earlier months of that year. Indeed, most of the 1955 total of sales in the United States came in the latter months after the effect of credit restrictions was felt.

As a general result of monetary restrictions, the year 1956 was a most unusual one for new bond sales in Canada. In face of an expanding economy, the demand for money became so strong that not only did the cost factor rise very substantially but, in some instances, ready funds were not obtainable at any price. As a result, many borrowers found it difficult or impossible to finance issues they would have regarded as normal borrowing in previous years. Indeed, it is necessary to go back a quarter of a century or more to find a year when Canadian corporations and municipalities were forced to postpone new capital issues because of the shortage and consequent high cost of funds on the Canadian bond market.

7.—Sales of Canadian Bonds by Class of Bond and Country of Sale 1947-56

(SOURCE: *The Monetary Times*)

NOTE.—Figures from 1904 are given in the corresponding table of previous Year Books beginning with the 1933 edition.

Year	CLASS OF BOND					
	Federal ¹	Provincial	Municipal	Parochial and Miscellaneous	Corporation	Total
	\$	\$	\$	\$	\$	\$
1947.....	293,333,100	229,562,000	238,887,410	14,968,600	379,674,500	1,156,425,610
1948.....	445,491,150	312,619,500	84,014,291	21,010,000	310,506,000	1,173,640,941
1949.....	790,200,000	449,347,000	134,796,184	23,853,200	285,268,000	1,683,464,384
1950.....	2,167,600,000	373,824,500	150,369,281	30,466,369	431,180,303	3,153,440,453
1951.....	594,642,400	369,532,000	196,438,916	37,967,921	451,630,000	1,650,211,237
1952.....	830,761,100	426,973,000	147,690,940	49,264,100	573,539,000	2,028,228,140
1953.....	1,950,548,900	436,616,900	186,784,460	35,242,605	336,295,800	2,945,488,665
1954.....	3,200,540,900	400,916,000	209,640,778	51,352,886	606,532,800	4,468,983,364
1955.....	1,348,500,000	434,165,000	226,991,573	66,063,850	585,795,900	2,661,516,323
1956.....	1,357,000,000	557,888,000	265,936,167	52,661,700	860,184,400	3,093,670,267

Year	COUNTRY OF SALE			
	Canada ¹	United States	United Kingdom	Total
	\$	\$	\$	\$
1947.....	1,068,114,610	88,311,000	—	1,156,425,610
1948.....	1,023,640,941	150,000,000	—	1,173,640,941
1949.....	1,543,464,384	140,000,000	—	1,683,464,384
1950.....	2,980,740,453	172,700,000	—	3,153,440,453
1951.....	1,266,188,237	384,023,000	—	1,650,211,237
1952.....	1,743,578,115	284,650,025	—	2,028,228,140
1953.....	2,638,889,450	306,599,215	—	2,945,488,665
1954.....	4,295,385,364	173,598,000	—	4,468,983,364
1955.....	2,506,953,323	154,563,000	—	2,661,516,323
1956.....	2,623,137,285	470,532,982	—	3,093,670,267

¹ Excludes treasury bills, deposit certificates and other financing for a term of less than one year.