

Provincial entries into the bond market in 1959 were:—

<u>Province</u>	<u>Month</u>	<u>Amount</u>	<u>Province</u>	<u>Month</u>	<u>Amount</u>
		\$			\$
New Brunswick.....	January.....	6,500,000	Prince Edward Island..	October.....	4,000,000
Newfoundland.....	January.....	4,000,000	Ontario.....	October.....	50,000,000
Ontario.....	January.....	75,000,000	Newfoundland.....	October.....	4,000,000
Prince Edward Island..	January.....	1,500,000	Prince Edward Island..	November..	1,600,000
Nova Scotia.....	January.....	12,000,000	Manitoba.....	November..	10,000,000
Saskatchewan.....	January.....	8,000,000	New Brunswick.....	December...	5,580,000
Prince Edward Island..	April.....	1,500,000	Nova Scotia.....	December...	8,500,000
Ontario.....	July.....	50,000,000			
Saskatchewan.....	August.....	15,000,000	TOTAL, 1959.....		277,180,000
Manitoba.....	October.....	20,000,000			

In the field of direct municipal financing (exclusive of municipal issues guaranteed by various provinces) the market for new flotations was down from \$401,426,925 in 1958 to \$351,009,264 in 1959. On the other hand, loans for parochial or educational and miscellaneous purposes experienced some increase. Classified independently of other municipal financing, they were up from a total of \$62,081,000 in 1958 to \$73,804,100 in 1959. This increase, however, was not sufficiently great to offset a decline in the combined totals. Municipalities of Vancouver, Regina, Winnipeg, Hamilton, Toronto, Montreal and Ottawa were the largest municipal borrowers during 1959.

New corporation bond sales declined drastically in 1959 to \$369,025,000 from a record total of \$1,024,604,100 in 1957 and from \$729,225,000 in 1958. The general slow-down of business activity which began towards the end of 1957 and continued through 1958 and 1959 was reflected in the number and amount of new corporation issues placed. Of note was an increase of special features such as attached stock purchase warrants, share bonuses, rights of various kinds, and offerings in units with common shares. These measures were intended to make new issues more attractive for investors in view of an indifferent market.

The largest issues for new corporation borrowing in the domestic bond market during 1959 included two flotations of \$30,000,000 and \$40,000,000 by the British Columbia Electric Company Limited, a \$25,000,000 flotation by Irving Refinery Limited, \$17,000,000 by BP Refinery Canada Limited, \$20,000,000 by Simpsons-Sears Acceptance Company Limited, \$35,000,000 by The Bell Telephone Company of Canada, and \$20,000,000 by Dominion Foundries and Steel Limited. New corporate money borrowed in the United States during 1959 included \$4,000,000 by Thorncliffe Park Limited, \$20,000,000 by Canadian Acceptance Corporation, \$4,000,000 by Laurentide Acceptance Corporation Limited, \$4,500,000 by Provo Gas Producers, and \$5,000,000 by Simpsons-Sears Acceptance Company Limited.

During 1959, the total of all new Canadian bond sales in the United States amounted to \$472,856,431, compared with \$486,950,621 in 1958 and \$606,876,100 in 1957. Of the 1959 total, \$310,200,000 was for direct and guaranteed provincial issues, compared with \$195,000,000 in 1958 and \$122,000,000 in 1957. Of the municipal issues, the amount sold in the United States in 1959 was \$112,356,431 compared with \$175,300,621 in 1958 and \$94,818,800 in 1957. In keeping with the marked over-all decline, only \$50,300,000 in corporation financing was placed on the United States market in 1959, compared with \$116,650,000 in 1958 and \$390,057,300 in 1957.

The above analysis shows that during 1959 the bond market was preoccupied with the needs of Federal Government finance. However, since then there have been indications of a shift of emphasis back to other forms of security financing. Information available for the first six months of 1960 shows increases in provincial, municipal and corporation issues over the same period of 1959; provincial and municipal issues also compared favourably with the totals for 1958 and 1957 but, while sales of new corporation issues for the first half of 1960 were higher than those for the same period of 1959, they were still well below comparable figures for 1958 and far below those of 1957.