

Direct provincial entries into the bond market during 1960 were made by the provinces of Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland, as follows:—

<u>Province</u>	<u>Month</u>	<u>Amount</u>	<u>Province</u>	<u>Month</u>	<u>Amount</u>
		\$			\$
New Brunswick.....	February....	15,000,000	Saskatchewan.....	June.....	7,500,000
Saskatchewan.....	February....	7,500,000	Nova Scotia.....	June.....	10,000,000
Manitoba.....	March.....	15,000,000	Quebec.....	July.....	50,000,000
Manitoba.....	March.....	5,000,000	Nova Scotia.....	September...	10,000,000
Newfoundland.....	March.....	6,000,000	Newfoundland.....	September...	5,000,000
Nova Scotia.....	April.....	10,000,000	Quebec.....	October.....	10,000,000
Ontario.....	April.....	60,000,000	Manitoba.....	December...	15,000,000
Manitoba.....	April.....	20,000,000			
Prince Edward Island.	May.....	4,000,000	TOTALS.....		250,000,000

In the field of direct municipal financing (exclusive of municipal issues guaranteed by various provinces), the market for new flotations was up to \$472,214,288 in 1960 from \$424,813,364 in 1959. Exclusive of loans for parochial and other educational purposes (\$85,320,000 in 1960 and \$73,804,100 in 1959), these issues amounted to \$386,894,288 in 1960 and \$351,009,264 in 1959. Among the largest municipal borrowers in 1960 were Vancouver, Regina, Saskatoon, Winnipeg, Toronto, Hamilton, London, Ottawa, Montreal, Quebec City and Halifax.

Over the past few years a fairly stable volume of new bond sales for federal, provincial and municipal financing was recorded but new corporation issues showed a marked decline, principally attributed to a general slow-down of business activity which created considerable concern on the corporation market. In 1960, they totalled \$498,886,000 compared with \$369,025,000 in 1959, \$729,255,000 in 1958 and \$1,024,604,100 in 1957.

Although the dollar total of corporation bond sales during 1960 was up somewhat from 1959, the volume was low. But because of their scarcity, new issues were mostly taken up as soon as they came on the market. Largest corporate borrowers were the Bell Telephone Company of Canada, T. Eaton Acceptance Company Limited and British Columbia Electric Company Limited.

Bell Telephone borrowed for sizable amounts in the months of March, June and December of 1960. The first of these issues was for \$25,000,000, 6½ p.c., first-mortgage bonds, maturing on Apr. 1, 1974; the second was for \$50,000,000, 5½ p.c., first-mortgage bonds, maturing on Aug. 2, 1982; and the third was for \$35,000,000, 6 p.c., first-mortgage bonds, maturing on Jan. 2, 1986.

Both T. Eaton Acceptance and British Columbia Electric entered the bond market during the month of March. The former issue was for \$17,500,000, 6½ p.c., sinking fund debentures, maturing on Apr. 1, 1980 and the latter was for \$30,000,000, 6½ p.c., first-mortgage bonds, maturing on Apr. 1, 1990.

The total of all new Canadian bond sales financed in the United States amounted to \$283,169,000 during 1960, down from \$472,856,431 in 1959, \$486,950,621 in 1958 and \$606,876,100 in 1957. Of the 1960 total, \$92,000,000 was for direct and guaranteed provincial issues, \$110,909,000 was for municipal issues and \$80,260,000 for corporation issues. These totals compared with \$310,200,000, \$112,356,431 and \$50,300,000, respectively, in 1959. An additional amount at \$13,600,000 (comprised of \$9,100,000 provincial and \$4,500,000 municipal issues) was sold elsewhere than in Canada or the United States during 1960.

Prices rose and interest rates dropped with few interruptions on the bond market during most of 1960. In September, however, the general situation changed rapidly for a short time after an amount of \$250,000,000 was floated for the Canadian National Railways. While this issue had first appearances of a sell-out, concern later developed that it had not been firmly distributed. This concern signalled an over-all drop in prices with some declines by as much as eight points. Toward the end of the year, the situation