

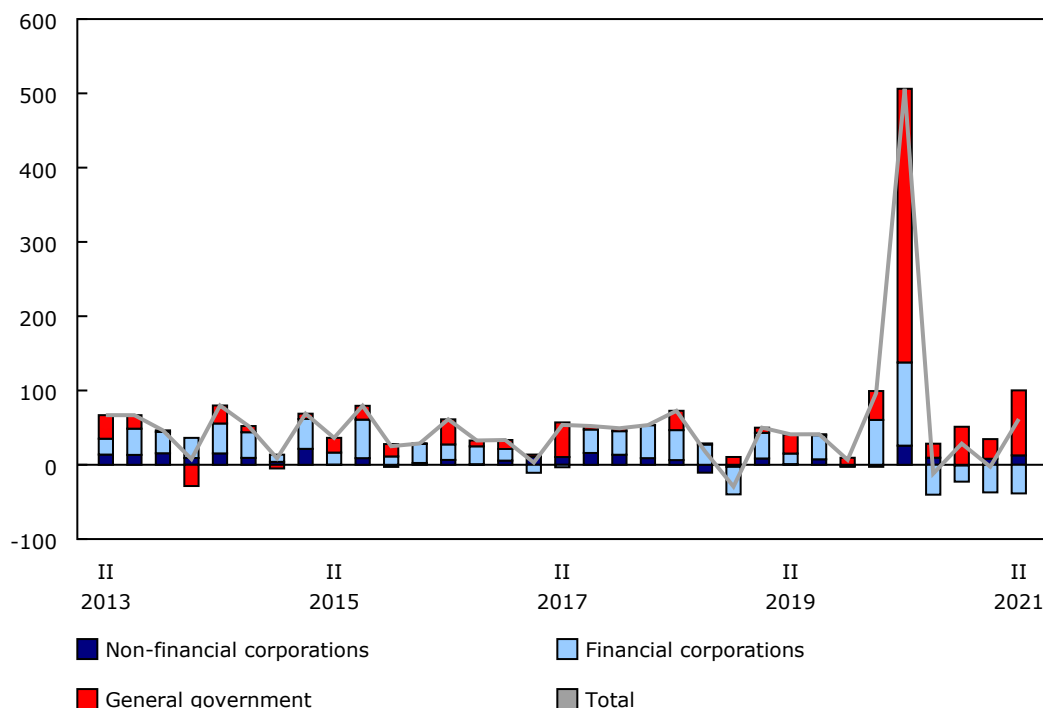
# Securities statistics, second quarter 2021

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Canadian governments and corporations borrowed a net amount of \$61.6 billion in the form of debt securities in the second quarter. This financing activity was led by the federal government and, to a lesser extent, by provincial and territorial governments. Net retirements of \$46.5 billion by financial corporations in the form of bonds moderated the overall borrowing activity.

**Chart 1**  
**Canadian debt securities issues by sector, net issuances**

billions of dollars



**Note(s):** Net issuances denote new issuances less retirements.

**Source(s):** Table 36-10-0602-01.

The total amount of debt securities owed by Canadian entities was \$5,006.4 billion at the end of the second quarter, up \$39.9 billion from the previous quarter. This increase, the first since the second quarter of 2020, was moderated by the downward revaluation resulting from the appreciation of the Canadian dollar against major foreign currencies. More than one-fifth (22.2%) of the total stock of debt securities was denominated in foreign currencies at the end of June. The Canadian dollar was up by 1.2 US cents against the US dollar in the second quarter.

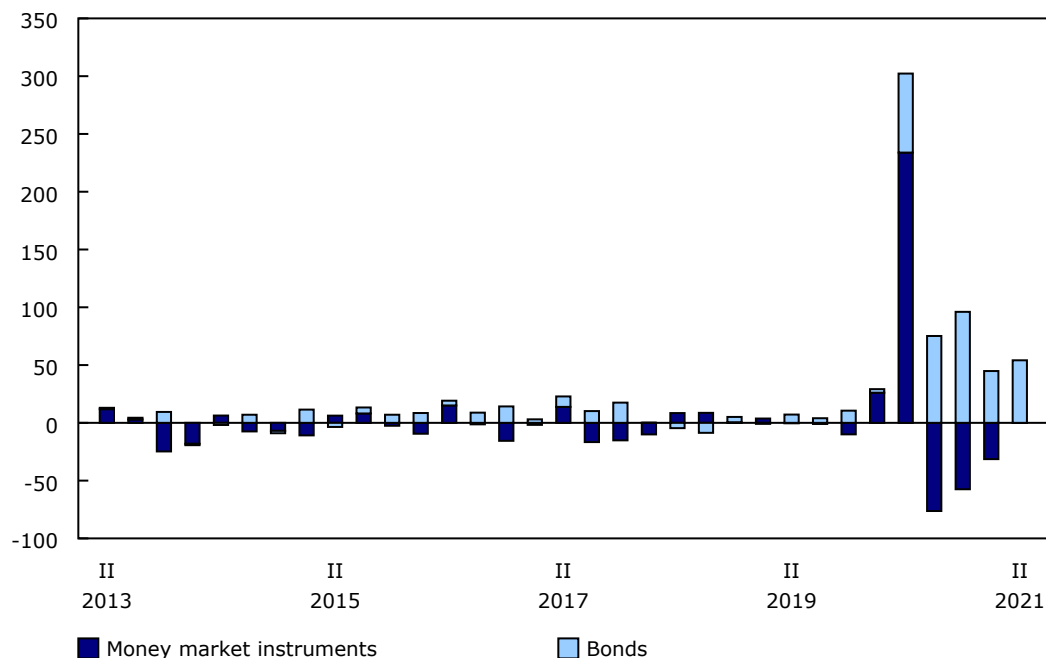
## Net issuances activity led by the government sector

Net issuances of debt securities by Canadian governments totalled \$87.5 billion in the second quarter. More specifically, the federal government issued a net \$54.1 billion of bonds. By the end of the second quarter, the outstanding amount of federal government debt securities reached \$1,180.4 billion, with 29.0% of this amount to be repaid within one year. In comparison, this proportion was 45.2% at the end of the second quarter of 2020 when federal government borrowing activities, largely in the form of money market instruments, reached an all-time high to support households and businesses affected by the COVID-19 global pandemic.



**Chart 2**  
**Debt securities issues by the federal government, net issuances**

billions of dollars



Source(s): Table 36-10-0602-01.

Meanwhile, the provincial and territorial governments raised a net \$34.0 billion of funds in the form of debt securities over the quarter, the largest amount in a year. Canadian long-term interest rates decreased by 16 basis points and short-term interest rates were up by six basis points in the second quarter.

The outstanding amount of debt securities of all levels of government amounted to \$2,233.7 billion at the end of the second quarter, compared with \$1,649.4 billion at the end of 2019 prior to the pandemic.

### Retirements continue to exceed new issuances for financial corporations

The total value of debt securities owed by financial corporations decreased by \$45.1 billion in the second quarter to \$2,053.4 billion. The decline was mainly attributable to net retirements of \$38.5 billion. Covered bonds (bonds issued by chartered banks with residential mortgages as collaterals), largely instruments issued during the first half of 2020, contributed the most to the net retirements in the quarter.

This marked a fourth straight quarter where retirements of financial corporate debt securities exceeded new issuances, after strong borrowing activity in the first half of 2020 at the onset of the pandemic. At the end of June, the value of debt securities owed by financial corporations was below the pre-pandemic level of December 2019.

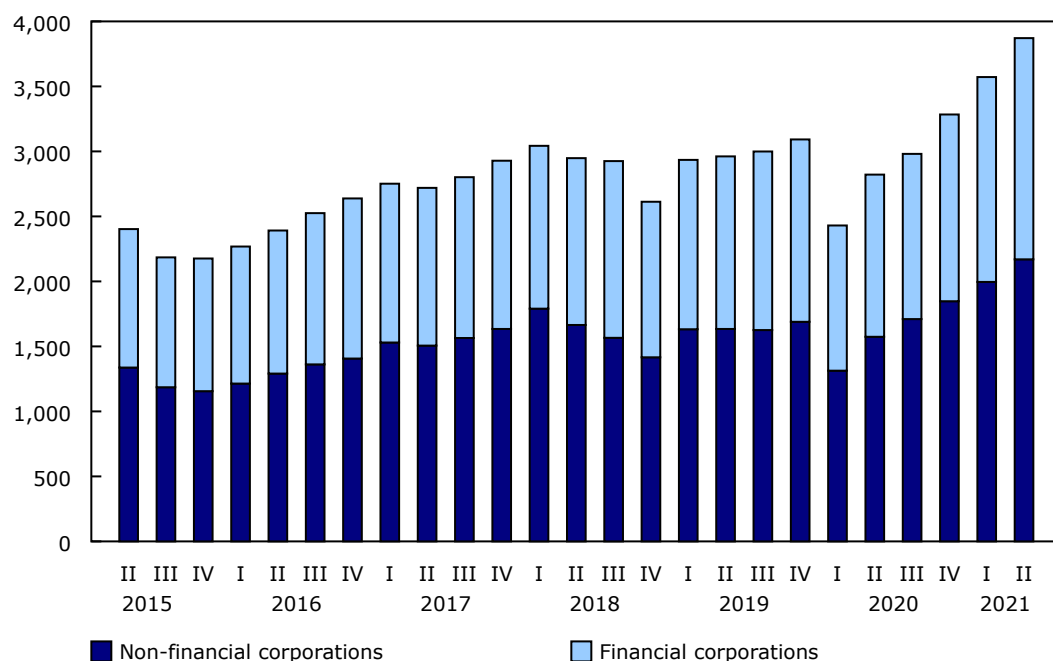
In contrast, non-financial corporations were net borrowers of funds in the second quarter, with net issuances amounting to \$12.7 billion. On an industry basis, transportation and warehousing, mining, quarrying, and oil and gas extraction, as well as utilities, contributed the most to the net issuances. The borrowing activity was mainly to fund general corporate activities, as well as to repay and refinance existing debt. The outstanding amount of non-financial corporations' debt securities reached an all-time high of \$719.2 billion at the end of the second quarter, compared with \$670.2 billion at the end of 2019 prior to the pandemic.

## Net retirements of equity securities in the quarter

Net retirements of Canadian equity securities totalled \$4.7 billion in the second quarter, the first quarter in one year with retirements exceeding new issuances. Nevertheless, the market value of outstanding Canadian equity securities reached \$3,871.4 billion at the end of the second quarter, up \$299.5 billion from the first quarter. On an industry basis, the information and cultural industry and, to a lesser extent, the mining, quarrying, and oil and gas extraction industry posted the largest increases. Canadian equity prices, as measured by the Standard and Poor's / Toronto Stock Exchange composite index, were up by 7.8% in the second quarter.

**Chart 3**  
**Canadian equity securities issues by sector, stocks at market value**

billions of dollars



Source(s): Table 36-10-0622-01.

## **Note to readers**

*In September 2015, the G20 Finance Ministers and Central Bank Governors launched the second phase of the G20 Data Gaps Initiative (DGI-2). The goal of the initiative is to ensure the financial sector, governments, businesses and citizens have the necessary information to monitor and react to the build-up of financial risk in the domestic and global economies.*

*The DGI-2 consists of 20 recommendations encouraging countries to compile and disseminate new or increasingly detailed statistical products. The goal of the initiative is to have each member of the G20 disseminate these recommended datasets on a regular and timely basis by the end of 2021.*

*This quarterly release, available about 70 days after the reference period, addresses recommendation 7 of the DGI-2 on securities statistics. It includes information on debt securities issues by sector, currency, maturity, type of interest rate and market of issuance. It also includes information on equity securities by sector and industry. With this release, new series on issuances of securities by type of use of proceeds are available. In addition, new information on foreign debt securities by currency is available. Definitions and concepts used are consistent with the recommendations of the Handbook on Securities Statistics, an internationally agreed framework for classifying securities instruments.*

*Data are accessible through an easy-to-use and flexible visualization tool. The tool includes dynamic cross-tables that allow users to look at the dataset from a variety of dimensions, as well as other visualization layers that illustrate different characteristics of the data in the form of interactive tables and charts.*

### **Definitions**

*Securities statistics cover issuances and holdings of financial negotiable instruments. Securities include debt instruments designed to be traded in financial markets, such as treasury bills, commercial paper and bonds, as well as equity instruments, such as listed shares.*

*The book value of a debt instrument reflects the value of the debt at creation, and any subsequent economic flows, such as transactions (e.g., repayment of principal), valuation changes (independent of changes in its market price) and other changes. The book value is composed of the outstanding principal amount plus any accrued interest. The market value reflects the value at which securities are acquired or disposed of in transactions between willing parties, excluding commissions, fees and taxes.*

### **Currency valuation**

*The value of securities denominated in foreign currency is converted to Canadian dollars at the end of each period. When the Canadian dollar is appreciating in value, the restatement of the value of these instruments in Canadian dollars lowers the recorded value. The opposite is true when the Canadian dollar is depreciating.*

**Table 1**  
**Debt and equity securities issues, net issuances**

	Second quarter 2020	Third quarter 2020	Fourth quarter 2020	First quarter 2021	Second quarter 2021
	billions of dollars				
<b>Total debt securities</b>	<b>506.2</b>	<b>-11.9</b>	<b>28.5</b>	<b>-2.6</b>	<b>61.6</b>
By sector					
Non-financial corporations	25.8	9.5	-1.1	8.1	12.7
Financial corporations	112.0	-40.3	-21.6	-37.2	-38.5
General government	368.4	18.9	51.2	26.4	87.5
By currency					
Canadian dollars	439.4	13.2	44.4	5.4	26.8
Foreign currencies	66.7	-25.1	-16.0	-8.0	34.8
By original maturity					
Short term (money market instruments)	244.8	-85.4	-54.2	-46.2	17.9
Long term (bonds)	261.4	73.5	82.6	43.6	43.7
One to two years	1.3	-22.5	-7.8	-8.4	-3.1
Two to five years	122.9	13.0	21.2	3.3	-16.4
Five to ten years	75.2	10.4	9.3	-7.7	33.0
More than ten years	62.1	72.7	60.0	56.3	30.2
By type of interest rate					
Fixed	464.4	16.1	33.8	4.3	96.6
Variable	41.8	-27.9	-5.4	-7.0	-35.0
By market of issuance					
Canada	440.6	0.4	50.8	-11.9	41.9
International	65.5	-12.3	-22.3	9.3	19.7
<b>Total equity securities</b>	<b>-6.6</b>	<b>18.2</b>	<b>5.1</b>	<b>13.0</b>	<b>-4.7</b>
By sector					
Non-financial corporations	-7.4	18.7	4.2	13.6	-3.4
Financial corporations	0.8	-0.5	0.9	-0.5	-1.3

**Note(s):**

Instruments are classified according to the sector of the issuer. Non-financial and financial corporation sectors include public and private corporations. Short-term instruments have an original term of one year or less. Long-term instruments have an original term of more than one year.

**Source(s):** Tables [36-10-0602-01](#) and [36-10-0621-01](#).

**Table 2**  
**Debt securities issues, stocks at book value**

	Second quarter 2020	Third quarter 2020	Fourth quarter 2020	First quarter 2021	Second quarter 2021	First quarter to second quarter 2021
	billions of dollars					difference in billions of dollars
<b>Total</b>	<b>5,022.9</b>	<b>5,004.5</b>	<b>4,987.4</b>	<b>5,193.0</b>	<b>5,248.1</b>	<b>55.1</b>
By sector						
Non-financial corporations	704.7	713.6	701.8	785.8	798.1	12.3
Financial corporations	2,253.0	2,202.9	2,158.1	2,128.9	2,068.2	-60.7
General government	2,065.3	2,088.0	2,127.6	2,278.4	2,381.9	103.5
By currency						
Canadian dollars	3,803.1	3,822.7	3,861.2	4,049.5	4,096.2	46.7
Foreign currencies	1,219.8	1,181.8	1,126.3	1,143.5	1,151.9	8.4
By original maturity						
Short term (money market instruments)	667.5	580.2	523.2	476.5	492.2	15.7
Long term (bonds)	4,355.4	4,424.3	4,464.3	4,716.5	4,755.9	39.4
One to two years	81.4	58.5	49.8	42.0	36.2	-5.8
Two to five years	1,427.3	1,436.1	1,444.6	1,452.8	1,419.0	-33.8
Five to ten years	1,136.4	1,144.9	1,143.1	1,149.9	1,170.0	20.0
More than ten years	1,710.3	1,784.7	1,826.8	2,071.8	2,130.8	59.0
By remaining maturity						
One year or less	1,236.3	1,134.8	1,066.6	1,017.6	1,013.6	-4.0
More than one year	3,786.6	3,869.7	3,920.9	4,175.4	4,234.5	59.1
By type of interest rate						
Fixed	4,620.9	4,630.9	4,621.8	4,826.5	4,922.8	96.3
Variable	402.0	373.6	365.7	366.6	325.4	-41.2
By market of issuance						
Canada	3,537.5	3,542.9	3,586.5	3,743.7	3,805.6	62.0
International	1,485.4	1,461.5	1,401.0	1,449.4	1,442.5	-6.9

**Note(s):**

The book value of debt securities is defined as the price at which the securities were originally issued plus interest accruals.

Instruments are classified according to the sector of the issuer. Non-financial and financial corporation sectors include public and private corporations.

Short-term instruments have an original term of one year or less. Long-term instruments have an original term of more than one year.

**Source(s):** Table [36-10-0605-01](#).

**Table 3**  
**Debt and equity securities issues, stocks at market value**

	Second quarter 2020	Third quarter 2020	Fourth quarter 2020	First quarter 2021	Second quarter 2021	First quarter to second quarter 2021
	billions of dollars					difference in billions of dollars
<b>Debt securities total</b>	<b>5,395.6</b>	<b>5,391.6</b>	<b>5,374.5</b>	<b>4,966.5</b>	<b>5,006.4</b>	<b>39.9</b>
By sector						
Non-financial corporations	789.8	805.3	808.7	714.0	719.2	5.2
Financial corporations	2,295.9	2,257.2	2,206.3	2,098.5	2,053.4	-45.1
General government	2,309.8	2,329.1	2,359.5	2,153.9	2,233.7	79.8
Federal government	1,157.6	1,159.3	1,189.0	1,126.6	1,180.4	53.8
Provincial and territorial general governments	1,096.9	1,114.0	1,115.3	977.4	1,004.2	26.8
Local general governments	55.3	55.8	55.2	49.9	49.1	-0.8
<b>Equity securities total</b>	<b>2,821.4</b>	<b>2,980.9</b>	<b>3,283.9</b>	<b>3,571.8</b>	<b>3,871.4</b>	<b>299.5</b>
By sector						
Non-financial corporations	1,573.9	1,710.1	1,847.4	1,995.9	2,169.7	173.8
Financial corporations	1,247.5	1,270.8	1,436.5	1,575.9	1,701.7	125.8

**Note(s):**

The market value reflects the value at which securities are acquired or disposed of in transactions between willing parties, excluding commissions, fees and taxes. Instruments are classified according to the sector of the issuer. Non-financial and financial corporation sectors include public and private corporations.

**Source(s):** Tables [36-10-0605-01](#) and [36-10-0622-01](#).

**Available tables:** [36-10-0602-01](#), [36-10-0605-01](#), [36-10-0621-01](#), [36-10-0622-01](#) and [36-10-0642-01](#) to [36-10-0644-01](#).

**Definitions, data sources and methods:** survey number [5285](#).

The data visualization product "[Securities statistics](#)," part of the series *Statistics Canada – Data Visualization Products (71-607-X)*, is available online.

The document "[Enhancing Canada's statistics on securities](#)," part of *Latest Developments in the Canadian Economic Accounts (13-605-X)*, is also available.

The [Economic accounts statistics](#) portal, accessible from the Subjects module of our website, features an up-to-date portrait of national and provincial economies and their structure.

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