

Securities statistics, second quarter 2023

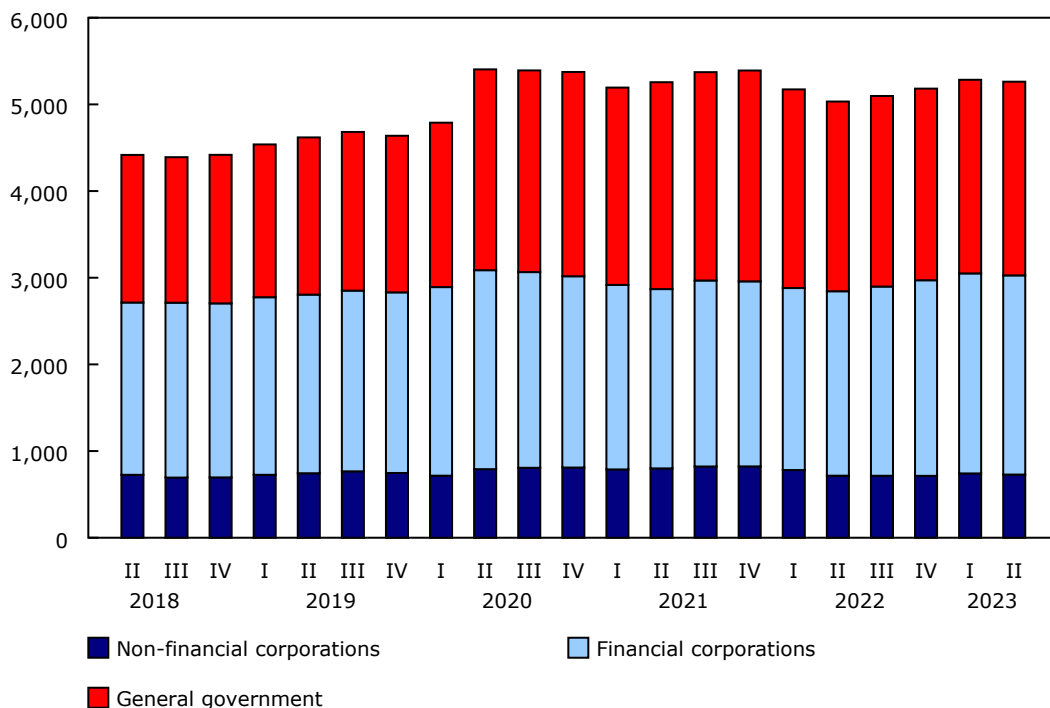
Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, September 7, 2023

Canadian governments and corporations borrowed a net \$80.0 billion of funds in the form of debt securities in the second quarter, the ninth consecutive quarter in which new issuances exceeded retirements. The financing activity in the second quarter was led by the government sector.

The total book value of outstanding Canadian debt securities reached \$5,612.0 billion at the end of the second quarter, up \$50.6 billion from the previous quarter. This increase reflected net borrowings moderated by the downward revaluation from the appreciation of the Canadian dollar against the US dollar and the euro. Nearly one-quarter (23.6%) of the total stock of debt securities was denominated in US dollars or in euros at the end of June.

Chart 1
Debt securities issues by sector, stocks at market value

billions of dollars



Source(s): Table 36-10-0605-01.

Net issuances of debt securities led by the government sector

The government sector issued a net \$53.7 billion of debt securities in the second quarter, following retirements of \$27.4 billion in the previous quarter. Specifically, net issuances of short-term debt securities totalled \$40.3 billion, the largest amount since the second quarter of 2020, when a record \$260.9 billion of money market instruments were issued at the onset of the COVID-19 pandemic. Both the federal (\$24.5 billion) and the provincial and territorial (\$16.0 billion) governments contributed to the activity in the second quarter of 2023.

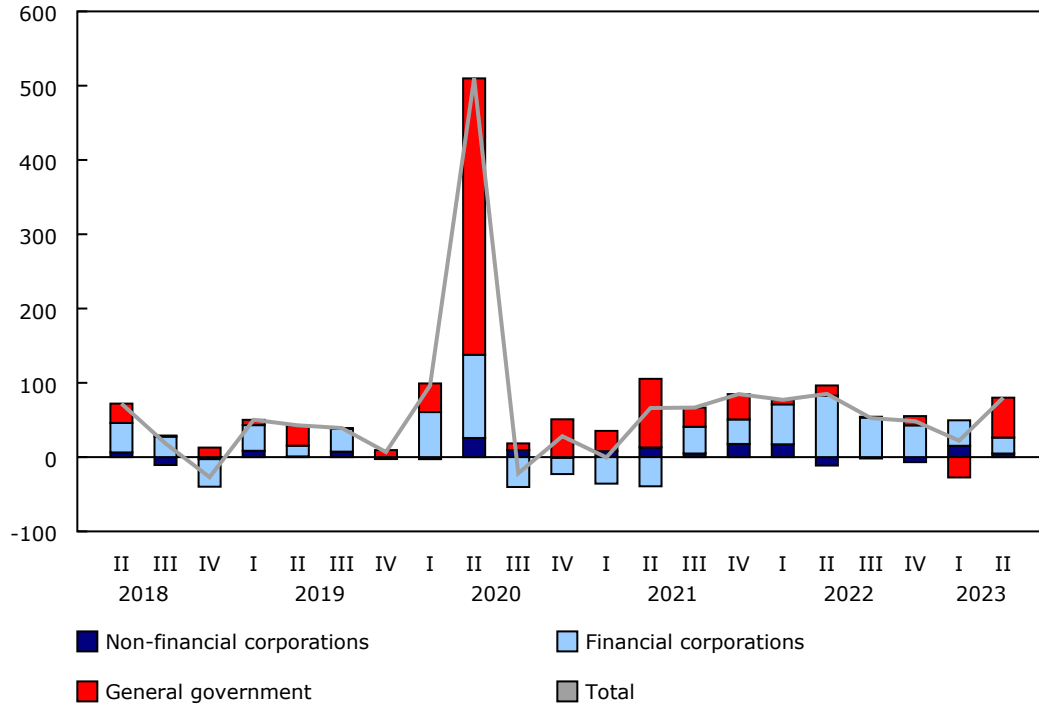


Statistics Canada
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Chart 2
Canadian debt securities issues by sector, net issuances

billions of dollars



Note(s): Net issuances denote new issuances less retirements.
Source(s): Table 36-10-0602-01.

Canadian financial corporations were net borrowers of funds in the second quarter, raising \$21.4 billion worth in the form of debt securities in the credit market. Overall, issuances abroad were moderated by retirements in Canada. Net issuances by Canadian chartered banks totalled \$9.3 billion, the lowest level in two years.

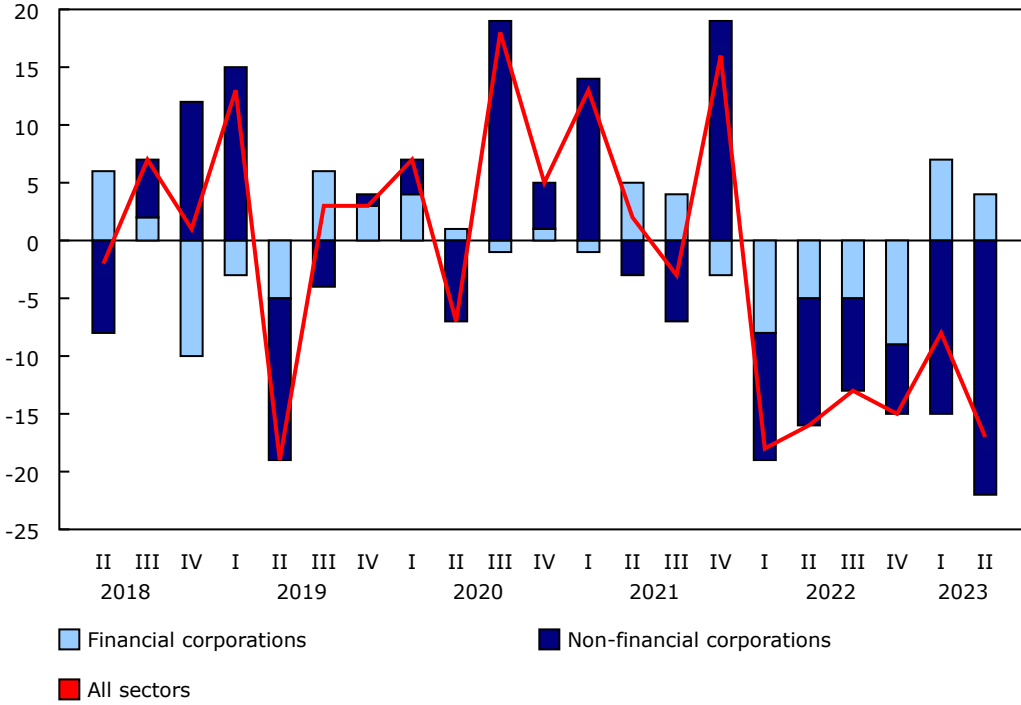
In the second quarter, the Bank of Canada raised its policy interest rate for a second time in 2023, and Canadian short-term interest rates rose to their highest levels since the fourth quarter of 2000.

Retirements of Canadian shares continue to exceed new issuances

Net retirements of Canadian equity securities totalled \$17.3 billion in the second quarter of 2023, a sixth consecutive quarter in which retirements exceeded new issuances. Non-financial corporations contributed the most to the net retirement activity over the past six quarters due to share buybacks and mergers and acquisitions. The market value of outstanding Canadian equity securities edged down by 0.4% to \$3,855.7 billion at the end of the second quarter.

Chart 3
Canadian equity securities issues by sector, net issuances

billions of dollars



Note(s): Net issuances denote new issuances less retirements.
Source(s): Table 36-10-0621-01.

Note to readers

This quarterly release, available about 70 days after the reference period, includes information on debt securities issues by sector, currency, maturity, type of interest rate and market of issuance, as well as by the economic sectors issuing debt securities in relation with the sectors investing in these instruments. It also includes information on Canadian equity securities by sector and industry. Statistics on Canadian portfolio investment abroad, previously released with Canada's international investment position, are now available with this release. Canadian holdings of foreign securities by type of securities, by currency of denomination, by country of issuer of these securities, and by sector of non-resident issuer are available.

Definitions and concepts used are consistent with the recommendations of the Handbook on Securities Statistics, an internationally agreed-upon 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 negotiable financial 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 appreciates 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 depreciates.

Table 1
Debt and equity securities issues, net issuances

	Second quarter 2022	Third quarter 2022	Fourth quarter 2022	First quarter 2023	Second quarter 2023
	billions of dollars				
Total debt securities	85.1	52.5	48.4	22.2	80.0
By sector					
Non-financial corporations	-11.4	-1.8	-6.8	15.3	4.9
Financial corporations	82.8	53.2	42.8	34.3	21.4
General government	13.6	1.2	12.5	-27.4	53.7
By currency					
Canadian dollars	23.7	33.0	20.7	19.6	38.7
Foreign currencies	61.4	19.5	27.7	2.5	41.4
By original maturity					
Short term (money market instruments)	13.1	23.3	21.9	-22.4	29.8
Long term (bonds)	72.0	29.2	26.6	44.6	50.2
One to two years	-4.4	5.6	5.6	11.1	12.0
Two to five years	42.7	1.3	-5.4	-1.7	6.4
Five to ten years	16.8	-11.7	20.9	12.5	24.4
More than ten years	16.9	33.9	5.5	22.6	7.3
By type of interest rate					
Fixed	80.0	55.1	46.2	23.1	70.3
Variable	5.1	-2.6	2.3	-0.9	9.7
By market of issuance					
Canada	38.9	40.5	50.1	-4.5	39.1
International	46.2	12.0	-1.7	26.7	40.9
Total equity securities	-16.0	-13.4	-15.2	-8.2	-17.3
By sector					
Non-financial corporations	-10.8	-8.2	-6.3	-14.9	-21.6
Financial corporations	-5.2	-5.1	-8.9	6.7	4.2

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 2022	Third quarter 2022	Fourth quarter 2022	First quarter 2023	Second quarter 2023	First quarter to second quarter 2023
	billions of dollars					difference in billions of dollars
Total	5,331.5	5,452.3	5,514.9	5,561.4	5,612.0	50.6
By sector						
Non-financial corporations	760.2	774.7	765.2	780.1	778.4	-1.7
Financial corporations	2,254.4	2,342.9	2,400.2	2,447.1	2,451.8	4.7
General government	2,316.9	2,334.6	2,349.4	2,334.3	2,381.7	47.5
By currency						
Canadian dollars	4,023.1	4,064.0	4,083.3	4,119.7	4,155.9	36.2
Foreign currencies	1,308.3	1,388.3	1,431.6	1,441.7	1,456.1	14.4
By original maturity						
Short term (money market instruments)	470.9	502.1	527.6	510.9	542.1	31.2
Long term (bonds)	4,860.6	4,950.2	4,987.3	5,050.5	5,069.9	19.4
One to two years	39.2	46.4	52.3	63.9	74.9	11.0
Two to five years	1,517.5	1,537.8	1,537.1	1,538.6	1,536.4	-2.2
Five to ten years	1,209.0	1,212.4	1,245.9	1,261.6	1,277.4	15.8
More than ten years	2,094.9	2,153.6	2,152.0	2,186.4	2,181.3	-5.1
By remaining maturity						
One year or less	1,063.9	1,154.9	1,143.1	1,100.0	1,167.9	67.8
More than one year	4,267.6	4,297.4	4,371.8	4,461.4	4,444.1	-17.3
By type of interest rate						
Fixed	4,993.0	5,112.4	5,169.3	5,213.3	5,256.2	42.8
Variable	338.5	339.8	345.6	348.1	355.8	7.7
By market of issuance						
Canada	3,772.5	3,824.7	3,873.6	3,884.3	3,920.2	35.9
International	1,559.0	1,627.6	1,641.3	1,677.1	1,691.7	14.7

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 2022	Third quarter 2022	Fourth quarter 2022	First quarter 2023	Second quarter 2023	First quarter to second quarter 2023
	billions of dollars					difference in billions of dollars
Debt securities total	5,032.8	5,097.3	5,182.3	5,283.8	5,262.0	-21.8
By sector						
Non-financial corporations	716.3	714.6	714.3	742.0	729.3	-12.7
Financial corporations	2,127.8	2,183.2	2,256.5	2,308.3	2,297.9	-10.4
General government	2,188.6	2,199.4	2,211.5	2,233.5	2,234.8	1.3
Federal government	1,195.3	1,194.1	1,195.3	1,210.7	1,220.0	9.3
Provincial and territorial general governments	944.9	955.5	963.7	970.0	962.5	-7.5
Local general governments	48.4	49.8	52.5	52.8	52.3	-0.5
Equity securities total	3,624.1	3,536.4	3,716.1	3,869.7	3,855.7	-14.0
By sector						
Non-financial corporations	2,007.1	1,937.7	2,066.9	2,144.4	2,143.6	-0.8
Financial corporations	1,617.0	1,598.8	1,649.1	1,725.3	1,712.1	-13.2

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: [36-10-0368-01](#), [36-10-0581-01](#), [36-10-0602-01](#), [36-10-0605-01](#), [36-10-0606-01](#), [36-10-0621-01](#), [36-10-0622-01](#), [36-10-0643-01](#), [36-10-0644-01](#) and [36-10-0673-01](#).

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.

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