

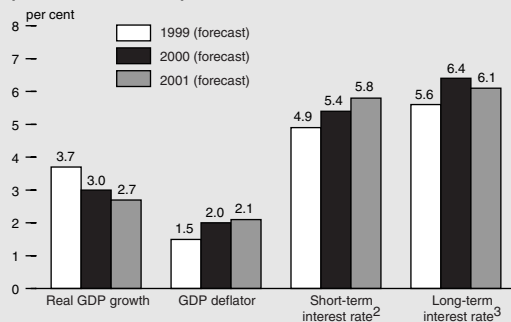
Government of Canada Securities

A Publication of the Department of Finance Canada

December 1999

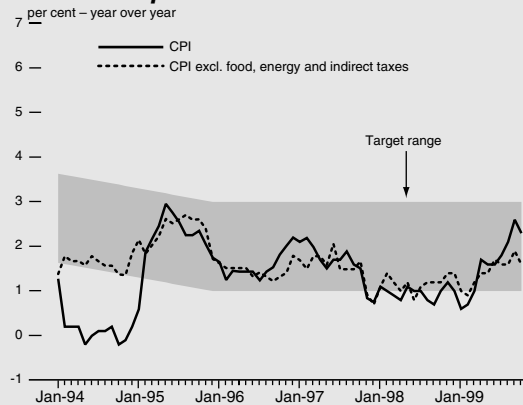
Canadian Economy

OECD economic forecast for Canada (November 1999¹)

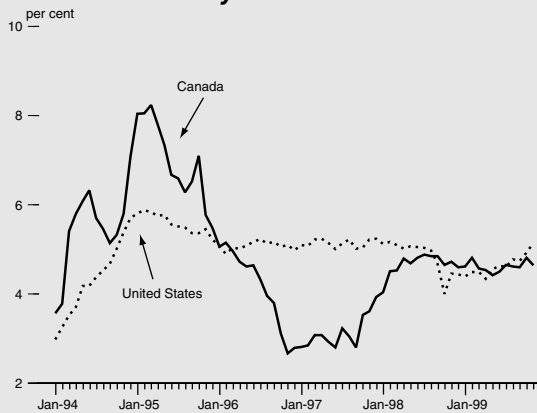


¹Data shown are preliminary. Final data will be available in mid-December 1999.
²90-day finance company paper.
³Over 10-year federal government bonds.
 Source: OECD.

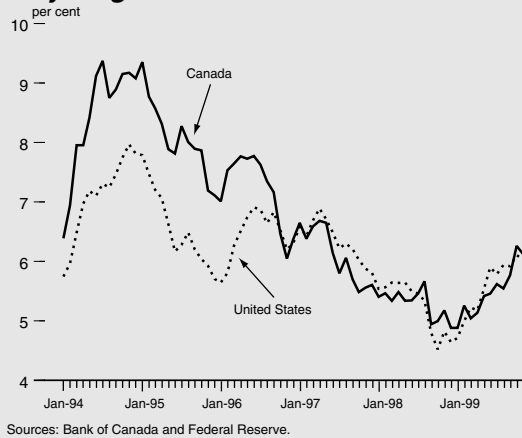
Consumer price index



3-month Treasury bill rates



10-year government bond rates



Upcoming economic data releases of interest

January

December Labour Force Survey
(January 7)

December CPI
(January 21)

February

January Labour Force Survey
(February 4)

January CPI
(February 24)

1999 Q4 National Accounts
(February 28)

March

February Labour Force Survey
(March 10)

February CPI
(March 15)

Government of Canada Securities

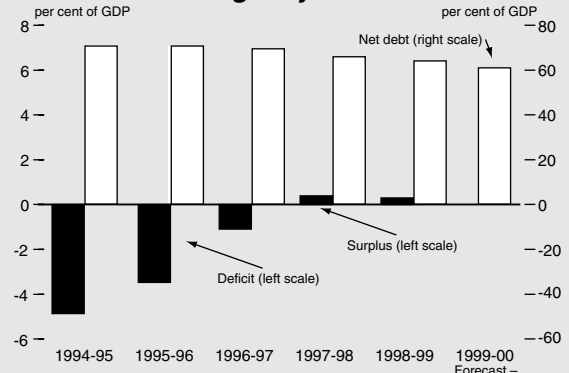
Canadian Economy

Selected Canadian economic statistics

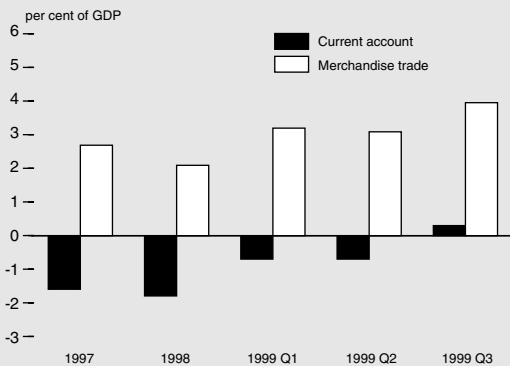
	1997	1998	1999		
			Q1	Q2	Q3
Annualized growth rates					
Real Gross Domestic Product	4.0	3.1	4.2	3.3	4.7
GDP Excluding Inventories	3.2	3.6	5.9	-0.3	7.1
Final Domestic Demand	4.9	2.7	4.7	6.9	3.4
Employment growth	1.9	2.8	3.7	-0.2	1.5
Other					
Unemployment rate	9.2	8.3	7.8	8.0	7.6
Current account balance (per cent of GDP)	-1.6	-1.8	-0.7	-0.7	0.3

Source: Statistics Canada.

Government of Canada net debt and budgetary balance



Canada's current account balance and merchandise trade balance



Exchange rate



Monetary conditions index



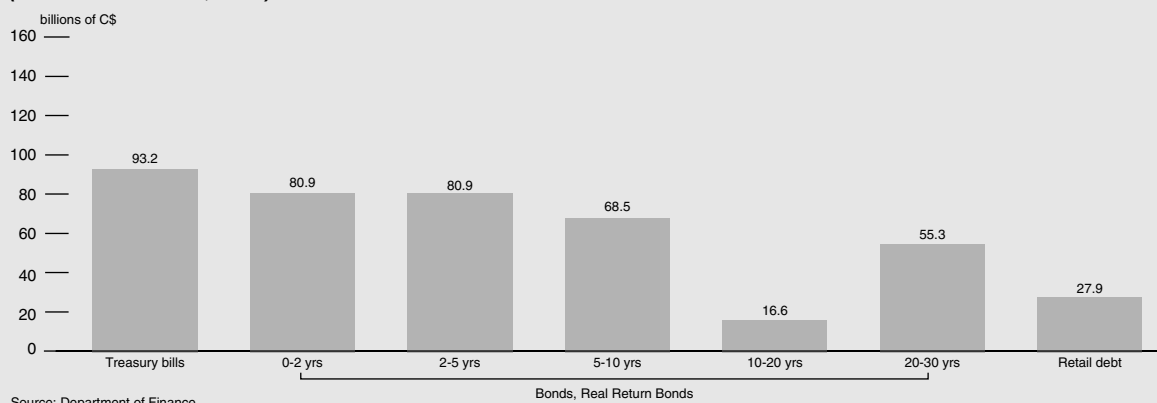
Canadian monetary aggregates



Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt (as of November 12, 1999)



Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage	Tail ¹
	(years)		(%)	(millions of dollars)		(%)		(basis points)
Nov. 24, 1999	2	June 1, 2002	5.75	3,600	99.594	5.927	2.58	0.5
Nov. 10, 1999	5	Sept. 1, 2005	6	2,800	99.779	6.048	2.6	0.3
Oct. 27, 1999	10	June 1, 2010	5.5	2,600	93.288	6.382	2.3	0.8
Oct. 13, 1999	30	June 1, 2029	5.75	1,900	94.465	6.158	2.1	2.7
Sept. 29, 1999	5	Sept. 1, 2004	5	2,800	97.267	5.643	2.48	1.2

¹ Tail is defined as the high accepted yield minus the average yield.

Source: Department of Finance.

Forthcoming Government of Canada bond auctions

Type of issue	Auction date (2000)	Further details of issue (2000)	Dated and delivered (2000)	Amount maturing
				(millions of dollars)
10-year auction	Jan. 26	Jan. 20	Feb. 1	5,500
5-year auction	Feb. 9	Feb. 3	Feb. 15	-
RRB auction ¹	Mar. 1	Feb. 24	Mar. 6	6,500
2-year auction	Mar. 8	Mar. 2	Mar. 15	-
10-year auction	Mar. 15	Mar. 9	Mar. 20	8,050

¹Single-price auction format.

Note: Two repurchase operations of Government of Canada marketable bonds are planned under the pilot bond repurchase program.

One repurchase operation will take place in the 10-year sector and a second in the 2-year sector.

Further details will be released on January 20 and March 2, respectively.

Government of Canada Securities

Primary Market

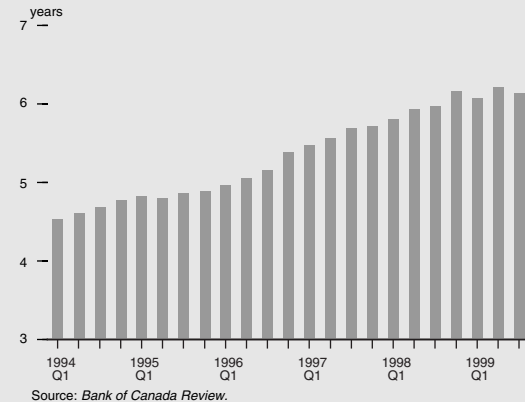
Government of Canada bond market benchmarks (November 10, 1999)

Term	Maturity	Coupon	Amount outstanding	Yield Nov. 10/99
		(%)	(millions of dollars)	(%)
Fixed coupon				
2-year	Dec. 1, 2001	5.25	7,000	5.78
5-year	Sept. 1, 2004	5.00	10,850	5.97
10-year	June 1, 2009	5.50	9,400	6.02
30-year	June 1, 2027	8.00	9,600	6.13
Real return				
30-year	Dec. 1, 2026	4.25	5,250	4.04

The normal bid-ask spread on these bonds is 5 cents.

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Forthcoming Government of Canada marketable bond maturities

January-March 2000	April-June 2000	July-September 2000	October-December 2000
(millions of dollars)			
20,050	1,575	11,875	7,500

Outstanding Government of Canada foreign-currency debt (as of November 30, 1999)

	(US\$ millions)
Canada Bills	3,719
Canada Notes	735
Outstanding under EMTN program	3,054
6½% US\$ bonds maturing May 30, 2000	1,500
6½% US\$ bonds maturing May 30, 2001	1,000
6½% US\$ bonds maturing July 15, 2002	1,000
5½% US\$ bonds maturing February 19, 2003	2,000
6½% US\$ bonds maturing November 30, 2004	2,000
6½% US\$ bonds maturing July 21, 2005	1,500
6½% US\$ bonds maturing August 28, 2006	1,000
6½% NZ\$ bonds maturing October 3, 2007	319
4½% DM bonds maturing July 7, 2008	2,200
5½% US\$ bonds maturing November 5, 2008	2,500

Source: Department of Finance.

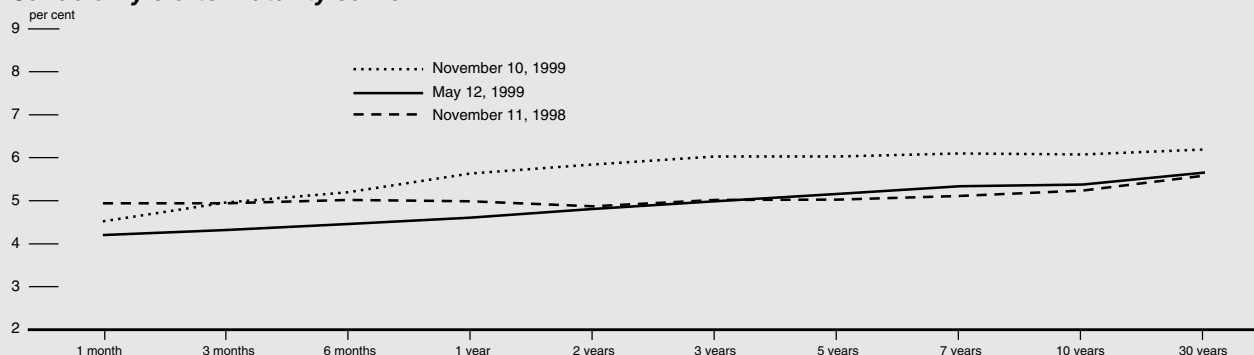
Canada's level of liquid foreign reserves



Government of Canada Securities

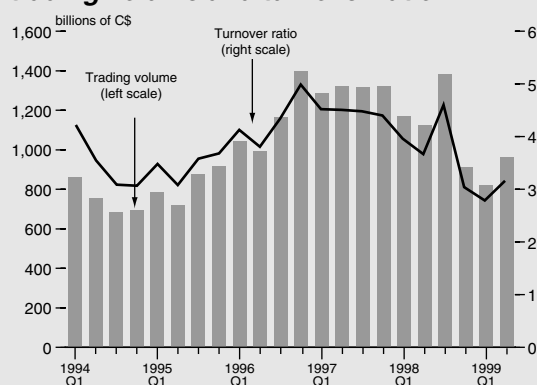
Secondary Market

Canadian yield-to-maturity curve



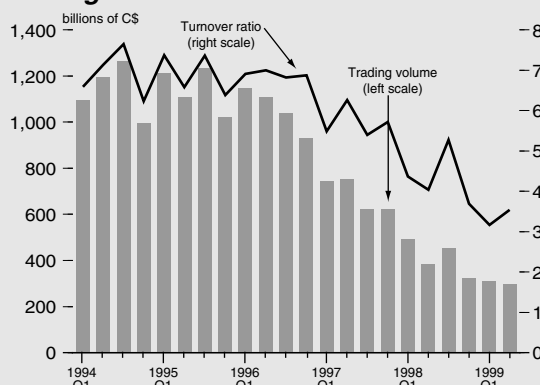
Source: Bank of Canada Review.

Government of Canada bonds trading volume and turnover ratio



Trading volume is total trading volume in each quarter.
 Turnover ratio = total trading volume in each quarter/stock.
 Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio



Trading volume is total trading volume in each quarter.
 Turnover ratio = total trading volume in each quarter/stock.
 Source: Bank of Canada.

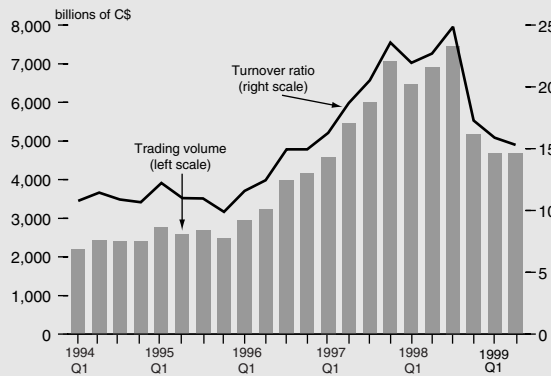
Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BLC Securities Inc.
- La Caisse centrale Desjardins du Québec
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CT Securities Inc.
- CTI Capital Inc.
- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- Goldman Sachs Canada
- HSBC Bank Canada
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- Morgan Stanley Canada Limited
- National Bank Financial Inc.
- Nesbitt Burns Inc. (marketable bonds only)
- Ocean Securities Inc.
- Odium Brown Limited
- RBC Dominion Securities Inc.
- Salomon Smith Barney Canada Inc.
- ScotiaMcLeod Inc.
- Société Générale Valeurs Mobilières Inc.
- Tassé & Associates, Limited
- The Toronto-Dominion Bank

Government of Canada Securities

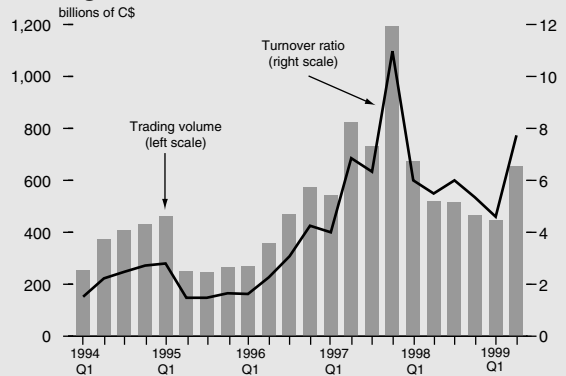
Secondary Market

Government of Canada bond repos trading volume and turnover ratio



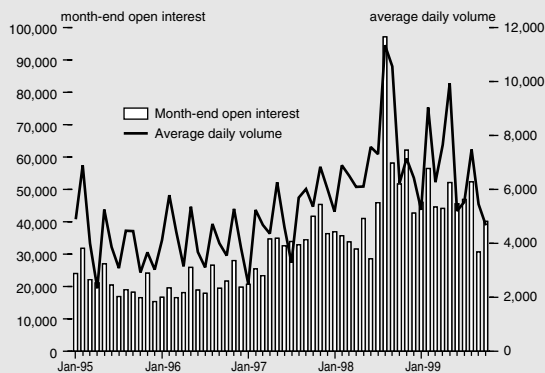
Trading volume is total trading volume in each quarter.
Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio



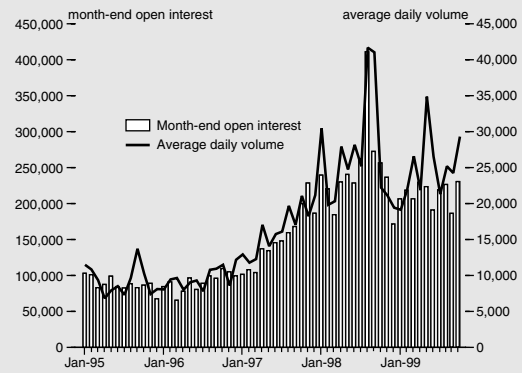
Trading volume is total trading volume in each quarter.
Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Canadian Bond Rating Service Current	Dominion Bond Rating Service Current
Domestic debt	AAA	Aa1	AA+	AAA
- Trend	Stable	-	Stable	Stable
Foreign debt	AA+	Aa2	AA+	AA(high)
- Trend	Stable	-	Stable	Stable

This publication is also available on the Internet at <http://www.fin.gc.ca/>.

Except as noted, the information in *Government of Canada Securities* is based upon data available as of December 8, 1999.

For further information, contact Nikola Swann at (613) 992-6386.

For additional copies or subscription inquiries, please contact the Distribution Centre at (613) 995-2855.

Ce document est également disponible en français.

