

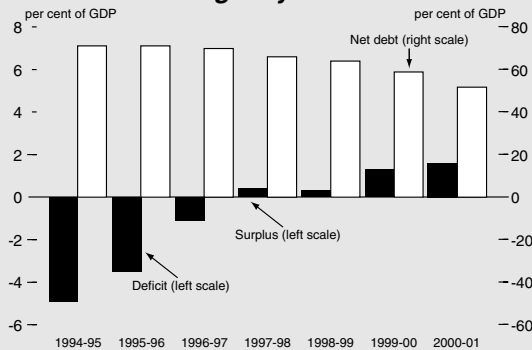
Government of Canada Securities

A Publication of the Department of Finance

July 2002

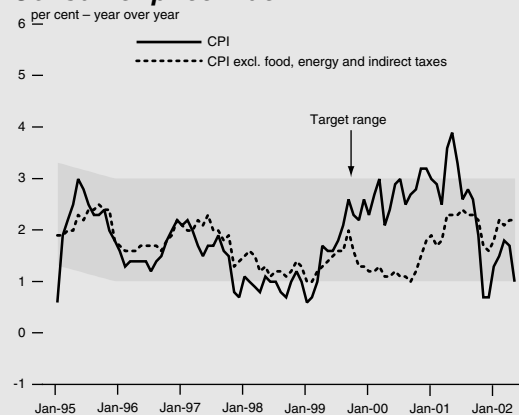
Canadian Economy

Government of Canada net debt and budgetary balance



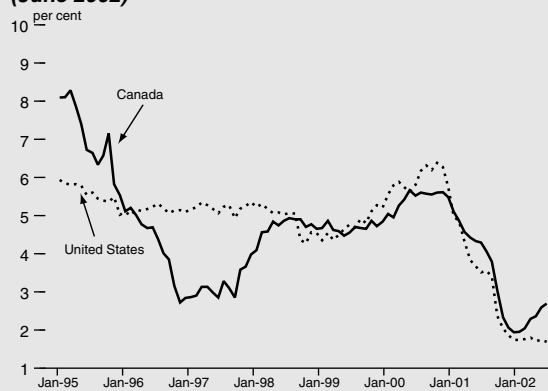
Source: Department of Finance.

Consumer price index



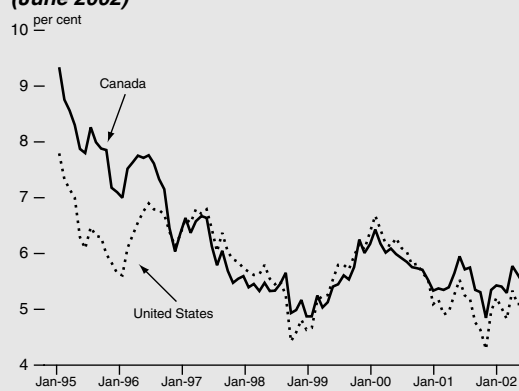
Source: Bank of Canada.

3-month Treasury bill rates (June 2002)



Sources: Bank of Canada and Federal Reserve.

10-year government bond rates (June 2002)



Sources: Bank of Canada and Federal Reserve.

Upcoming economic data releases of interest

August

July Labour Force Survey
(August 9)

July CPI
(August 21)

National and Economic Accounts
April-June 2002
(August 30)

June Real GDP
(August 30)

September

August Labour Force Survey
(September 6)

August CPI
(September 20)

July Real GDP
(September 30)

October

September Labour Force Survey
(October 11)

September CPI
(October 23)

August Real GDP
(October 31)

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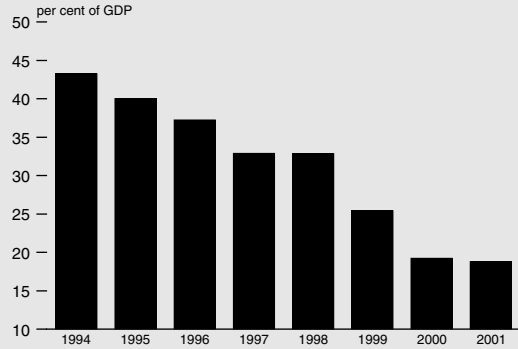
Canadian Economy

Selected Canadian economic statistics

	2000	2001	2001			2002
			Q2	Q3	Q4	Q1
Annualized growth rates (per cent)						
Real GDP	4.5	1.5	0.9	-0.5	2.9	6.0
Final domestic demand	4.0	2.5	2.8	2.1	0.3	3.5
Employment growth	2.6	1.1	0.8	-0.2	0.5	2.8
Other						
Unemployment rate	6.8	7.2	7.0	7.2	7.7	7.8
Current account balance (percentage of GDP)	2.6	2.8	3.1	1.6	1.6	2.1

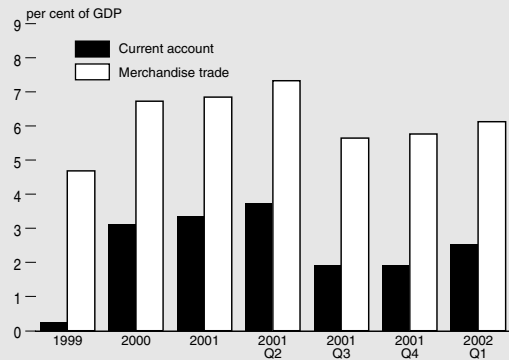
Source: Statistics Canada.

Canada's net international liabilities



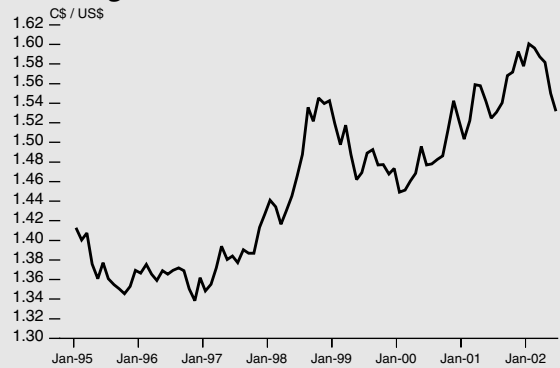
Source: Statistics Canada.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Exchange rate



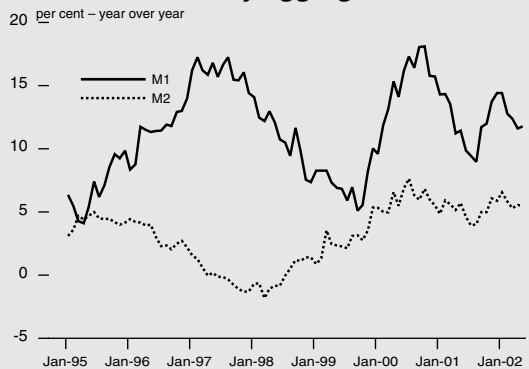
Source: Bank of Canada.

Monetary conditions index



Source: Bank of Canada.

Canadian monetary aggregates

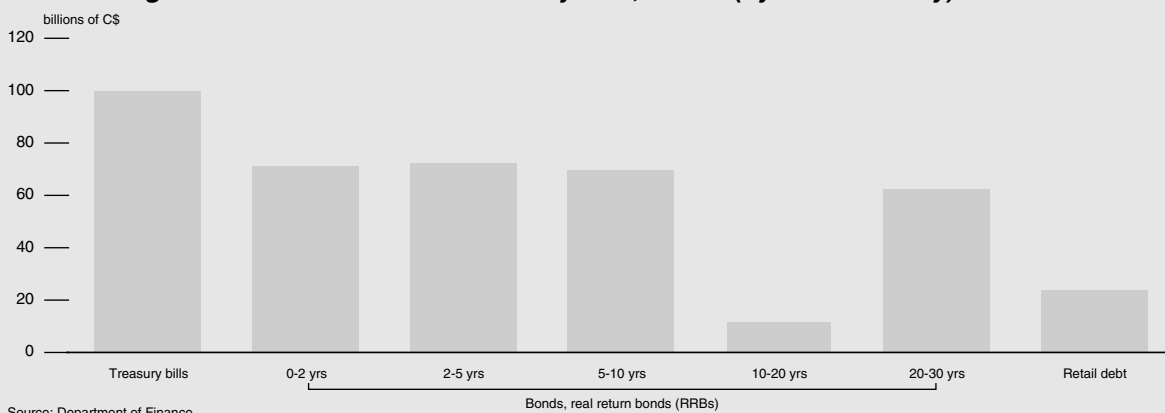


Source: Bank of Canada.

Government of Canada Securities

Primary Market

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



Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
July 10, 2002	30	June 1, 2033	5.75	1,900	99.978	5.751	2.209	0.9
June 5, 2002	30	Dec. 1, 2031	4***	400	108.954	3.510	3.263	n/a
May 29, 2002	2	Dec. 1, 2004	4.25	3,500	99.503	4.462	2.244	0.8
May 15, 2002	5	Sept. 1, 2007	4.5	2,400	96.136	5.348	2.28	1
April 17, 2002	10	June 1, 2012	5.25	2,400	96.445	5.717	2.258	0.8

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

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

***RRB.

Source: Bank of Canada.

Upcoming Government of Canada bond auctions

Type of issue	Auction date (2002)	Further details of issue (2002)	Dated and delivered (2002)	Amount maturing*
				(millions of dollars)
10-year auction	July 31	July 25	August 6	-
5-year auction	August 14	August 8	August 19	-
2-year auction	August 28	August 22	August 30	-

Note: In addition, this quarter one repurchase operation was held on July 10, 2002, and three are planned in conjunction with each nominal bond auction. Also, one pilot switch repurchase operation was held on July 17, 2002, in the 5-year sector and one will take place on September 25, 2002, in the 10-year sector. Further details will be released on the Thursday prior to these operations. The target amount for repurchase this quarter is \$3.2 billion.

* Maturity of \$9,134 million on September 1, 2002.

Source: Bank of Canada.

Government of Canada Securities

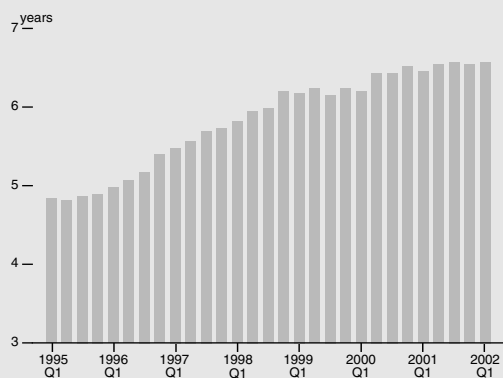
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding	Yield (July 17, 2002)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	June 1, 2004	3.50	7,000	3.61
5-year	Sept. 1, 2006	5.75	10,000	4.54
10-year	June 1, 2011	6.00	15,000	5.33
30-year	June 1, 2029	5.75	13,900	5.78
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.42

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada.

Upcoming Government of Canada marketable bond maturities

July-September 2002	October-December 2002	January-March 2003	April-June 2003
(millions of dollars)			
8,559	5,103	1,733	13,516

Outstanding Government of Canada foreign currency debt (as of December 31, 2001)

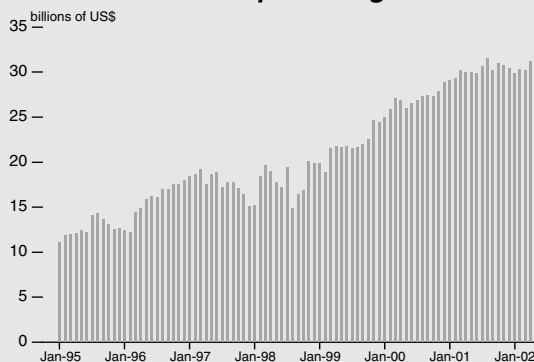
	(C\$ millions)*
Canada bills	4,279
Canada notes	1,370
Outstanding under EMTN program	3,466
5% US\$ bonds maturing February 19, 2003	3,186
6% US\$ bonds maturing November 30, 2004	3,186
6% US\$ bonds maturing July 21, 2005	2,389
6% US\$ bonds maturing August 28, 2006	1,593
6% NZ\$ bonds maturing October 3, 2007	332
4% EUR bonds maturing July 7, 2008**	2,900
5 1/2% US\$ bonds maturing November 5, 2008	3,982

* Converted to Canadian dollars (US\$ = C\$1.5928, JPY = C\$0.01211, GBP = C\$2.3166, DKK = C\$0.1908, EUR = C\$1.4182, GRD = C\$0.004163, NOK = C\$0.1774 and NZ\$ = C\$0.6630); closing spot rates at December 31, 2001.

** Original issue in Deutsche Marks was redenominated into euro on February 19, 1999.

Source: Bank of Canada.

Canada's level of liquid foreign reserves

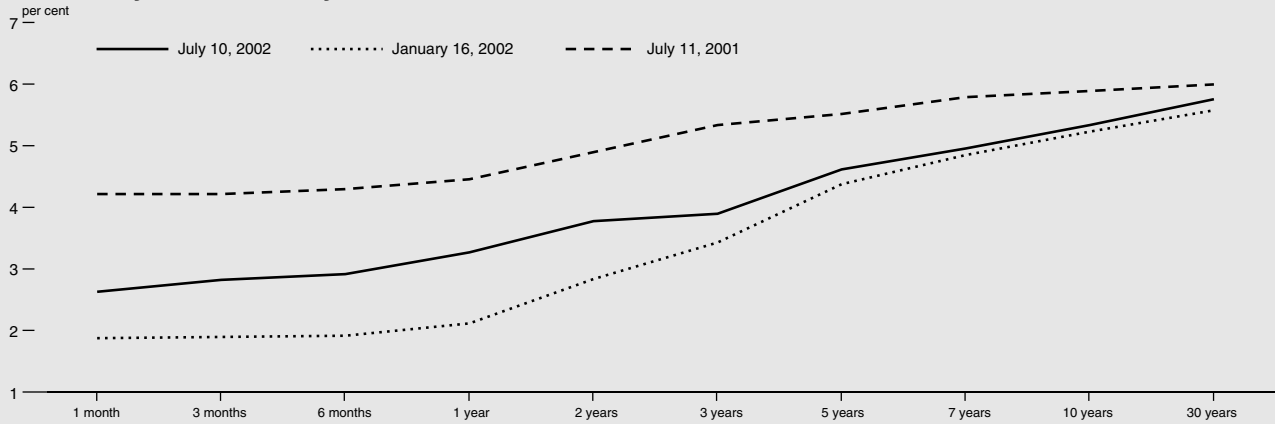


Source: Bank of Canada.

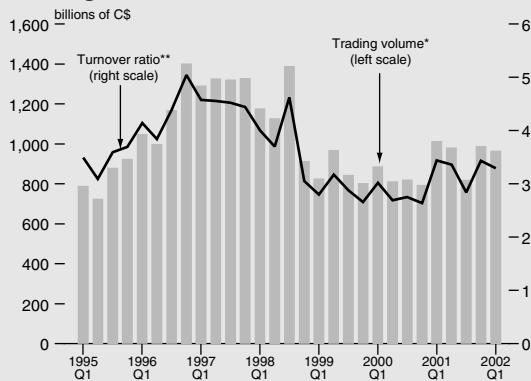
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Secondary Market

Canadian yield-to-maturity curve

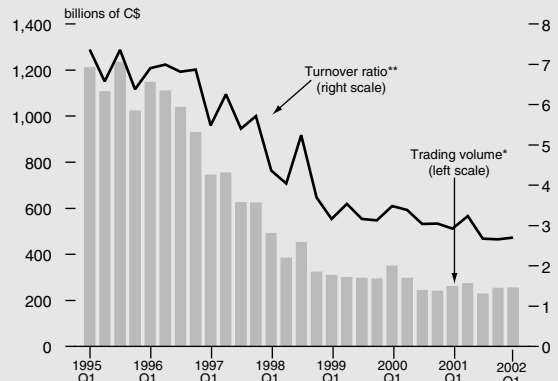


Government of Canada bonds trading volume and turnover ratio



*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.
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Source: Bank of Canada.

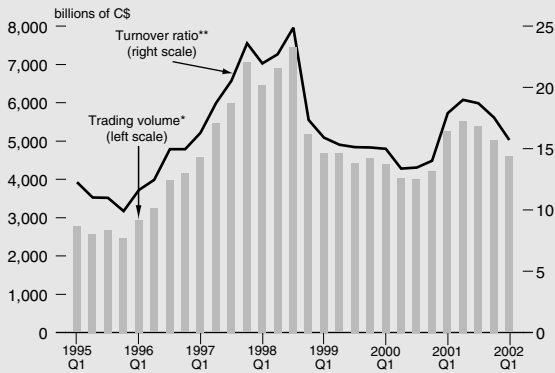
Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CTI Capital Inc.
- Desjardins Securities
- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- HSBC Bank Canada
- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- National Bank Financial Inc.
- Ocean Securities Inc.
- Odium Brown Limited
- RBC Dominion Securities Inc.
- Resolution Capital Inc.
- Scotia Capital Inc.
- Société Générale Valeurs Mobilières Inc.
- The Toronto-Dominion Bank

Government of Canada Securities

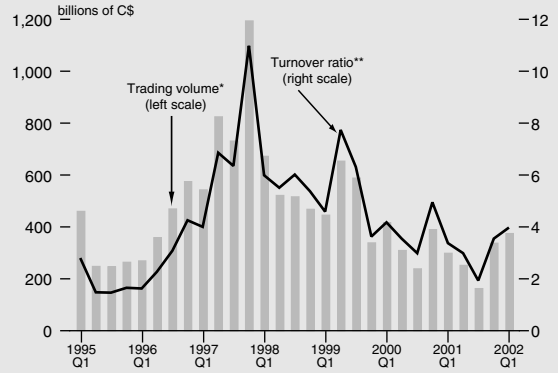
Secondary Market

Government of Canada bond repos trading volume and turnover ratio



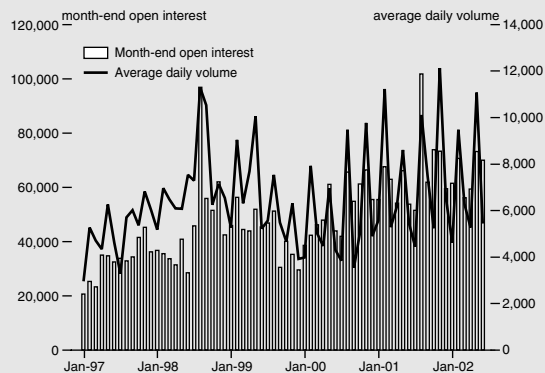
*Trading volume is total trading volume in each quarter.
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 Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio



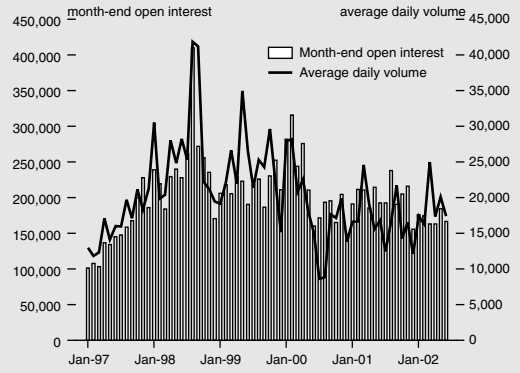
*Trading volume is total trading volume in each quarter.
 **Turnover ratio = total trading volume in each quarter/stock.
 Source: Bank of Canada.

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	Dominion Bond Rating Service Current
Domestic debt	AAA	Aaa	AAA
- Trend	Stable	Stable	Stable
Foreign debt	AAA	Aaa	AA (high)
- Trend	Stable	Stable	Stable

This publication is also available on the Internet at www.fin.gc.ca.
 Except as noted, the information in *Government of Canada Securities* is based upon data available as of July 18, 2002.
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 For additional copies or subscription inquiries, please contact the Distribution Centre at (613) 995-2855.

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