

Table 17 summarizes Canada's overall balance of payments picture in 1999. By standard accounting practices, a country's balance of payments account is always balanced. That is, a current account deficit must be offset exactly by running a capital and financial account surplus, and vice versa. In 1999, the former was the case.

Of particular note, the Canadian official settlement balance was a positive \$8.8 billion, which indicates that the Bank of Canada added that much to its foreign exchange reserve, a positive development in what was overall a highly successful year for Canada in terms of its international economic activity.

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Table 17: Canada's 1999 Balance of International Payments Accounts (\$ millions)

Current Account		
• Exports of goods and services	\$412 364	
• Imports of goods and services	\$384 645	
a. Trade balance		\$27 719
• Investment income abroad	\$31 601	
• Investment income of foreigners	\$63 768	
b. Net investment income		-\$32 167
c. Net current transfer		\$1 002
1. Current account balance (a + b + c)		-\$4 446
Financial Account		
• Canadian direct investment abroad	-\$26 469	
• Foreign direct investment in Canada	\$37 232	
d. Net foreign direct investment		\$10 763
• Portfolio investment abroad	-\$22 898	
• Portfolio investment in Canada	\$5 290	
e. Net portfolio investment		-\$17 608
f. Other net investment		-\$4 548
2. Financial account balance (d + e + f)		-\$11 393
Of which:		
- official international reserve		- \$8 818
- non-reserve financial account		-\$2 575
3. Capital account balance		\$5 091
4. Statistical discrepancy		\$9 748
Balance of payments (1 + 2 + 3 + 4)		\$0

Source: Statistics Canada, *Canada's Balance of International Payments*, Catalogue no. 67-001-XPB, 1st Quarter 2000.