



- **Portfolio investment**

In 1997, foreigners injected \$21 billion in Canadian portfolio investments (see Figure 12). Foreign investment in bonds and stocks was lower than for 1996. However, investment in short-term money market investments, such as Canadian T-bills and commercial paper, went up substantially after two years of dis-investment.

Canadian portfolio investment abroad in 1997 was \$11.4 billion, lower by \$7 billion than the record amount in 1996. As a result, Canada had a surplus of \$9.6 billion in portfolio investment, higher than that of \$1.6 billion in 1996. In 1997, Canadian portfolio investment in foreign bonds was particularly strong, a partial reversal of investment in securities in earlier years.