

Canada's securities statistics: *Issuer sold 'em*

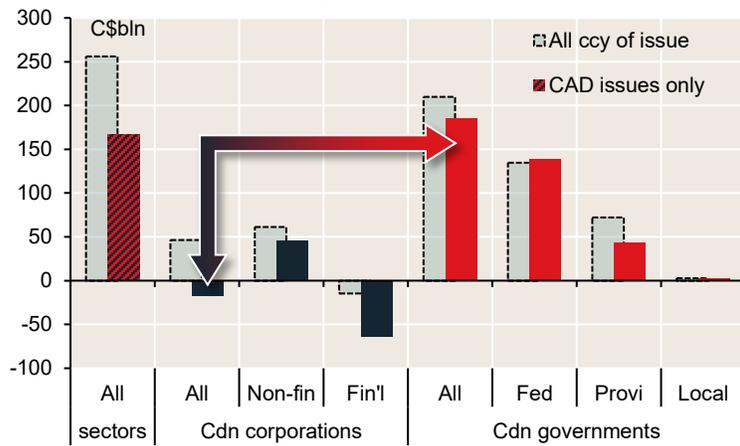
By Warren Lovely

StatCan continues to close the statistical book on calendar 2025, so we're using this *Market View two-pack* to reflect on the final quarterly installment of both the 'statistical securities' and 'national balance sheet accounts' data. While admittedly stale, related data series are genuinely informative, providing valuable empirical and cross-sectional perspectives on net new debt issuance and investor trends.

Part A of this two-pack, titled '*Issuer sold 'em*', provides a sectoral look at net issuance of Canadian debt, focusing primarily on domestic (CAD-denominated) issues. Consistent with apparent private sector anxiety/apathy, Canada's government sector has been doing a lot of the

Chart 1: Government the source of all domestic net issuance

Net new issuance of Canadian long-term debt by sector/issuer: Calendar 2025



Source: NBC, StatCan | Note: Latest 4Q sum

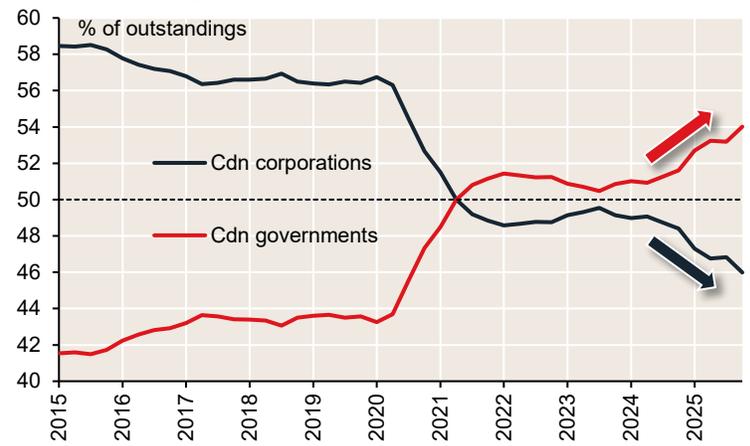
Across all sectors and currencies, net new issuance of Canadian long-term debt topped \$250bln in calendar 2025 (CAD equivalent). Setting aside the non-trivial sums lifted from international markets, Canada's domestic bond market was served up nearly \$170bln in net new issues (controlling for maturities). Take note: Every bit of net bond supply came from the government sector, as net domestic borrowing by financials receded. With governments supporting a vulnerable/unproductive economy, Canada's debt markets are increasingly govt-centric, the feds leading the charge...

heavy lifting in today's economy. At the federal and provincial levels of government, operational deficits and ambitious capital plans have resulted in significant net new bond supply. It means that Canada's debt markets have become increasingly govt-centric—a trend that is apt to continue, notwithstanding obvious scope for bonus resource-related revenue in certain jurisdictions.

So when it comes to selling fresh debt, the impetus very much remains with Canada's public sector. As for who's buying and ultimately holding all this extra debt, we'd refer you to **Part B** on the following page, titled '*Investor hold em*'. Hint: Non-residents are playing quite a big role.

Chart 2: Domestic bond market increasingly govt-centric

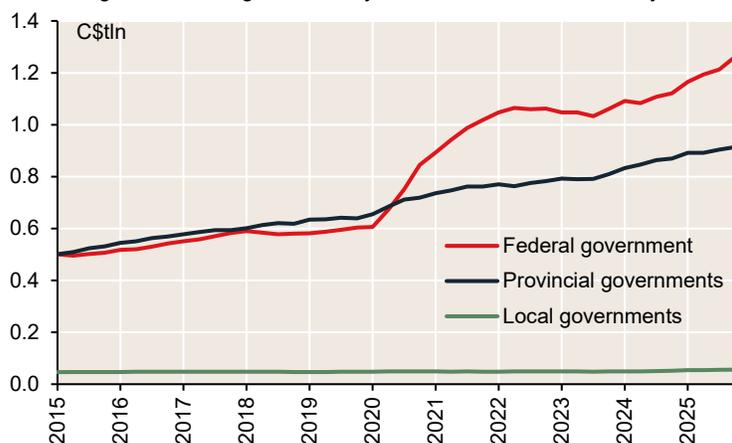
Share of outstanding Canadian long-term debt: CAD issues only



Source: NBC, StatCan | Note: Quarterly book value to 2025:Q4; gov't includes all levels

Chart 3: Ottawa's domestic debt curve been the steepest

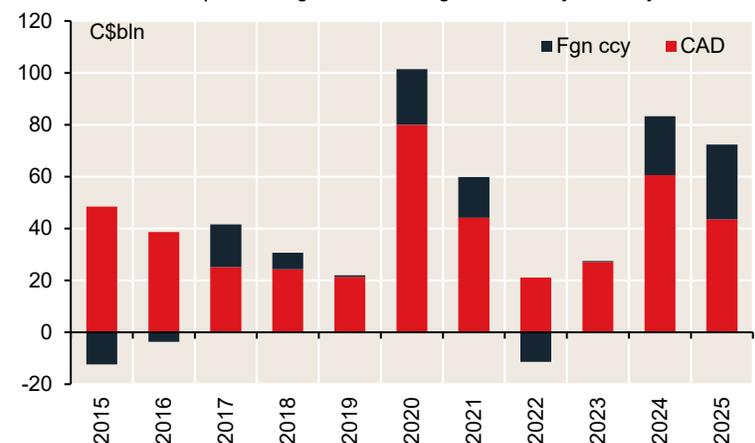
Canadian government long-term debt by issuer/sector: CAD issues only



Source: NBC, StatCan | Note: Quarterly book value to 2025:Q4

Chart 4: Provinces divert some net supply to foreign markets

Net new issuance of provincial government long-term debt by currency of issue



Source: NBC, StatCan | Note: Calendar year totals, based on quarterly net issuance

Beyond making all COVID-related debt permanent, Ottawa's expansive fiscal policies (more recently designed to spur investment) have spawned significant net funding requirements, placing the federal debt curve on a relatively steep(er) slope (vs. prior trend, vs. other governments, vs. corporates). Provinces have been borrowing too, but with international markets absorbing a material portion of net new supply, the domestic share of outstanding provincial debt has fallen to its lowest level in over a decade (since 2025:Q1). The associated reduction in the ratio of provi-to-federal domestic outstandings was a favourable consideration for provincial credit spreads in 2025. All else equal, the relative skew of net supply should remain reasonably supportive of tight(ish) G-spreads in 2026, though geopolitical developments and resulting financial conditions/risk sentiment could trump (apologies, bad pun) issuer- or sector-specific fundamental and technical considerations.

Canada's national balance sheet: *Investor hold 'em*

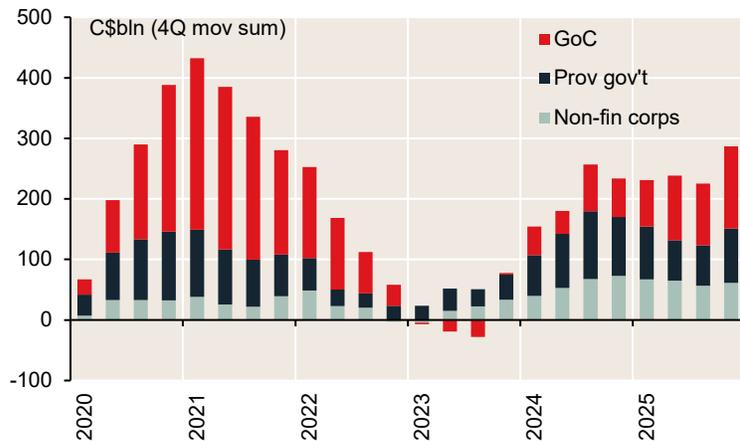
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Part A (preceding page) detailed Canadian net bond supply trends, leveraging StatCan's 'securities statistics' database. It has been, and looks to remain, a fairly govi-centric issuance picture. Here, in **Part B**, we lean into Canada's 'national balance sheet accounts' to detail/highlight the specific investor and counterparty types ultimately cleaning up (i.e., holding) Canada's expanding pool of outstanding debt. We call it, '*Investor hold 'em*' and you're invited to play (read) along...

With many private sector players understandably aloof and a new PM embarking on an ambitious (and hopefully transformative) economic plan, no Canadian issuer has been printing debt faster than the feds. Beyond Ottawa's sizeable net borrowing requirement, the central bank still has Canadas running off its balance sheet. That ultimately left ~\$170 billion of GoC bonds to be placed with end investors in 2025. Canadian banks sopped up a non-trivial share, boosting combined holdings of GoC bonds

Chart 1: Ample net borrowing by Canadian governments...

Net issuance of Canadian bonds in all currencies by select sector: Trend



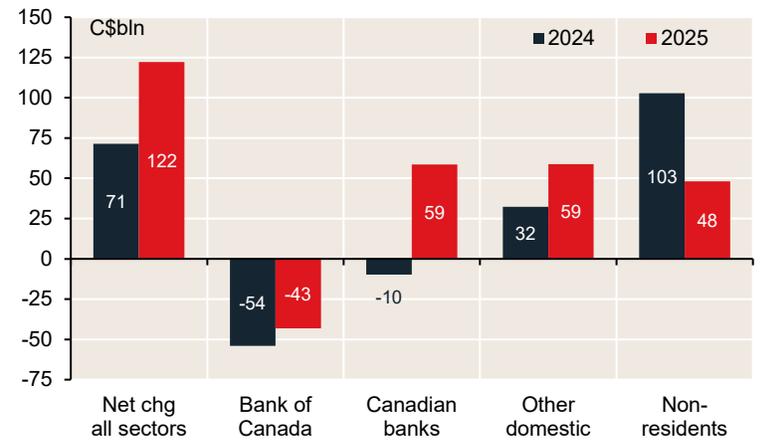
Source: NBC, StatCan | Note: Credit market summary to 2025:Q4; domestic non-fin'l sectors

by nearly \$60 billion in 2025. At least the banking sector's required pace of net debt absorption slowed meaningfully in second half. Other domestic investors swallowed almost another \$60 billion last year, with Canadian asset managers (including local hedge funds) plenty active. As for non-residents, they collectively put any first-half, tariff-related reticence behind them to scoop up plenty of GoC bonds in the second half—a buying spree that extended into early 2026 as we explored [here](#). It means fully 40% of domestic GoC bonds are held outside the country.

Of course, non-residents invest in more than just GoC bonds. Of the entire \$5½ trillion stock of Canadian bonds (all sectors, denominated in all currencies), a record share is now controlled by foreign investors. With considerable net borrowing planned, let's hope deep-pocketed non-resident investors continue to go 'all in' on Canadian debt.

Chart 2: ... means plenty of GoC bonds to go round

Net change in holdings of GoC bonds by investor type: Calendar year basis

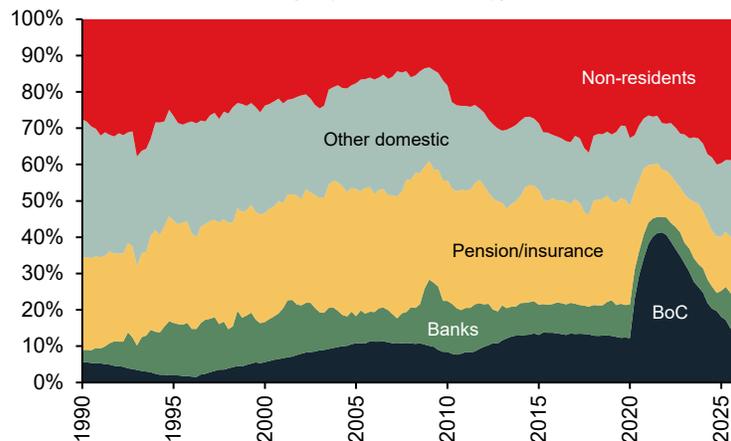


Source: NBC, StatCan | Note: Net change in market value of holdings (Q4 vs. Q4)

Operational shortfalls and large-scale capital investment leaves plenty of Canadian government debt to absorb/digest. Roughly \$170bln of GoC bonds needed to be placed with end investors in 2025 (controlling for BoC run off). President Trump's initial tariff threats left some non-resident leery of Canada in early 2025, forcing Canadian banks to sop up plenty of GoC product. But as things generally settled, non-resident bond buying resumed with a vengeance in the second half of the year. And we just saw wholly unprecedented buying of Canadian bonds early in 2026 too ([link](#)).

Chart 3: Shifting composition of GoC bond holdings

Distribution of GoC bond holdings by select investor type



Source: NBC, StatCan | Note: Based on market value of GoC bond holdings to 2025:Q4

Chart 4: Canada reliant on foreign investors (like never before)

Non-resident ownership share of outstanding Canadian bonds: All sectors, all ccys



Source: NBC, StatCan | Note: Based on market value of Cdn bond holdings to 2025:Q4

Ample net supply and BoC balance sheet normalization has created plenty of room in the GoC bond market end investors, be they domestic or foreign. Non-residents now hold fully 40% of the GoC bond stock. More broadly, foreign investors have never controlled a larger share of the entire outstanding Canadian bond stock, which to be clear includes a meaningful slug of international issues.



Table 1: Absolute and relative holdings of C\$6.13 trillion in Canadian debt securities (all sectors, all currencies of issue)
 Market value & share of total holdings: Canadian debt securities by type of paper & holdings by detailed NBS sector (as of 2025:Q4)

Holdings (C\$bln, market value)	Cdn debt securities	Canadian short-term paper			Canadian bonds				
		All Cdn ST paper	Govt of Canada	Other sectors	All Cdn bonds	Govt of Canada	Provincial govts	Local govts	Other sectors*
Total all sectors	6,130.4	729.0	278.1	450.9	5,401.4	1,220.5	1,080.3	68.6	3,032.0
Domestically held (incl. monetary authority)	3,656.0	545.9	193.1	352.8	3,110.1	733.0	798.6	58.9	1,519.6
Households & non-profit institutions	132.8	7.5	1.4	6.2	125.3	25.3	26.7	15.6	57.7
Corporations	3,031.6	435.5	165.8	269.7	2,596.1	633.1	660.0	38.0	1,265.0
Non-financial corporations	150.5	102.5	33.0	69.5	47.9	9.3	4.4	0.0	34.2
Financial corporations	2,881.1	332.9	132.8	200.2	2,548.2	623.8	655.6	38.0	1,230.8
Bank of Canada	186.0	2.1	2.1	0.0	183.9	173.0	6.3	0.0	4.6
Chartered banks & quasi-banks	621.4	80.5	37.1	43.5	540.8	113.4	171.8	8.6	246.9
Insurance & pension funds	966.0	64.9	29.7	35.1	901.2	180.4	350.8	23.9	346.2
Total other private financial institutions	778.8	175.0	57.2	117.8	603.7	144.3	119.8	5.4	334.2
Financial gov't business enterprises	329.0	10.4	6.7	3.7	318.6	12.7	6.9	0.1	298.9
General governments	491.6	102.9	26.0	77.0	388.7	74.6	111.9	5.3	196.9
Federal general government	71.9	0.4	0.0	0.4	71.5	12.5	0.2	0.0	58.8
Other levels of general government	270.1	83.0	25.9	57.0	187.2	31.7	62.6	4.4	88.5
Provincial & territorial governments	211.9	69.0	25.8	43.2	142.9	24.9	49.5	0.2	68.3
Local governments	58.2	14.0	0.1	13.8	44.2	6.8	13.1	4.2	20.2
Social security funds	149.6	19.5	0.0	19.5	130.0	30.4	49.1	0.9	49.6
Non-residents	2,474.4	183.1	85.0	98.1	2,291.3	487.5	281.7	9.6	1,512.5

Distribution of holdings by security type (%)	Cdn debt securities	Canadian short-term paper			Canadian bonds				
		All Cdn ST paper	Govt of Canada	Other sectors	All Cdn bonds	Govt of Canada	Provincial govts	Local govts	Other sectors*
Total all sectors	100%	100%	100%	100%	100%	100%	100%	100%	100%
Domestically held (incl. monetary authority)	60%	75%	69%	78%	58%	60%	74%	86%	50%
Households & non-profit institutions	2%	1%	0%	1%	2%	2%	2%	23%	2%
Corporations	49%	60%	60%	60%	48%	52%	61%	55%	42%
Non-financial corporations	2%	14%	12%	15%	1%	1%	0%	0%	1%
Financial corporations	47%	46%	48%	44%	47%	51%	61%	55%	41%
Bank of Canada	3%	0%	1%	0%	3%	14%	1%	0%	0%
Chartered banks & quasi-banks	10%	11%	13%	10%	10%	9%	16%	13%	8%
Insurance & pension funds	16%	9%	11%	8%	17%	15%	32%	35%	11%
Total other private financial institutions	13%	24%	21%	26%	11%	12%	11%	8%	11%
Financial gov't business enterprises	5%	1%	2%	1%	6%	1%	1%	0%	10%
General governments	8%	14%	9%	17%	7%	6%	10%	8%	6%
Federal general government	1%	0%	0%	0%	1%	1%	0%	0%	2%
Other levels of general government	4%	11%	9%	13%	3%	3%	6%	6%	3%
Provincial & territorial governments	3%	9%	9%	10%	3%	2%	5%	0%	2%
Local governments	1%	2%	0%	3%	1%	1%	1%	6%	1%
Social security funds	2%	3%	0%	4%	2%	2%	5%	1%	2%
Non-residents	40%	25%	31%	22%	42%	40%	26%	14%	50%

Note: Table 2 below relates to GoC debt only.



Tables 2: Closer look at GoC debt holdings... latest quarterly level and year-over-year change by key investor groups
 Market value & share of Government of Canada T-bill & bond holdings by select NBS sector (as of 2025:Q4)

GoC debt holdings (market value)		All sectors	BoC	Domestic ex-BoC	Households & non-fin corp	Banks	Insurance companies	Trusteed pensions	Other private FIs	Financial GBEs	Federal gov't	Other levels of gov't	Social security funds	Non-residents
GoC T-bills														
Current:	Level (C\$bln)	278.1	2.1	191.1	34.4	37.1	21.6	8.2	57.2	6.7	0.0	25.9	0.0	85.0
	Share (% of total)	100.0%	0.7%	68.7%	12.4%	13.3%	7.8%	2.9%	20.6%	2.4%	0.0%	9.3%	0.0%	30.6%
Y/Y (4Q)	Level chg (C\$bln)	-7.4	2.1	-4.2	2.7	-6.2	-1.8	1.0	2.5	-1.0	0.0	-1.4	0.0	-5.3
	Share chg (%-pts)	0.0%	0.7%	0.3%	1.3%	-1.8%	-0.4%	0.4%	1.4%	-0.3%	0.0%	-0.3%	0.0%	-1.1%
GoC bonds														
Current:	Level (C\$bln)	1,220.5	173.0	560.0	34.7	113.4	56.6	123.8	144.3	12.7	12.5	31.7	30.4	487.5
	Share (% of total)	100.0%	14.2%	45.9%	2.8%	9.3%	4.6%	10.1%	11.8%	1.0%	1.0%	2.6%	2.5%	39.9%
Y/Y (4Q)	Level chg (C\$bln)	122.2	-43.1	117.3	2.1	58.5	2.0	7.5	42.4	-1.6	2.0	-2.0	6.3	48.1
	Share chg (%-pts)	0.0%	-5.5%	5.6%	-0.1%	4.3%	-0.3%	-0.4%	2.5%	-0.3%	0.1%	-0.5%	0.3%	-0.1%

Source: NBC, StatCan | Note: Canadian debt securities includes issues denominated in CAD as well as securities denominated in foreign currencies; other Canadian bond sectors includes corporates, CMB, GBES, other public sector entities, etc.; for Table 2, Y/Y (4Q) changes in holdings and ownership share refer to 2025:Q4 relative to 2024:Q4



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