

IMPERIAL BANK'S REPORT.

The annual statement of the Imperial Bank presented at the shareholders' meeting held in Toronto on Wednesday is in line with those of the other leading banking institutions recently issued in showing a particularly strong liquid position. The Bank's readily available assets on April 30 amounted to \$36,067,000, as compared with \$34,473,000 at the end of the previous year. The actual cash assets, represented by current coin and Dominion Government notes, were at the end of the year \$15,048,000, as against \$12,944,000 on April 30, 1914. At the close of the year readily available assets were equal to over 59 per cent. of the total liabilities to the public.

Current loans and discounts in Canada show a reduction from \$41,331,000 to \$36,245,000, and call and short loans in Canada are reduced from \$4,050,000 to \$3,966,000. On the other hand, a reduction in deposits is shown. Interest-bearing deposits stood on April 30 at \$47,266,000, as compared with \$49,178,000 in the previous year. The aggregate of non-interest bearing deposits was \$7,815,000, as compared with \$9,060,000.

Profits naturally show a falling off. They were in the year ended April 30, \$1,031,359, which compares with earnings of \$1,236,984 in the 1914 year, \$1,125,000 in 1913, \$1,004,000 in 1912, and \$841,000 in 1911. With a balance to the credit of the profit and loss account on April 30, 1914, amounting to \$1,265,000, the profits of the year made a total of \$2,297,000 available for distribution. Of this amount, dividends took \$840,000. Last year the provision for depreciation of securities and other contingencies amounted to \$250,000. This year an amount of \$400,000 is reserved for this purpose. Contributions to patriotic and relief funds amounted to \$14,000, and the war tax on bank circulation from January 1 to April 30 was \$17,000. An amount of \$1,012,000 was carried forward.

POST WAR CREDIT CONDITIONS.

Instead of money becoming tight and scarce after the war, in the opinion of some American authorities, it is likely to remain redundant. Credit has been mobilized to such an extent that it will be a difficult problem to demobilize it. That is to say, people who have borrowed will continue to pay their annual interest charges rather than to pay back the principal. This tendency in human nature is suggested clearly by the failure of policy-holders of insurance companies to pay back loans that have been made to them by the companies. It also is indicated by the indisposition of individuals to pay off mortgages on their homes. This in principle will apply. Hence these authorities it will take perhaps years for credit conditions to return to those that were current before the war.

The British Exchequer proposes to make an attempt to discriminate between *bona fide* endowment insurance and an obvious attempt to evade the income tax and super-tax through a sort of endowment assurance, which is alleged to be an abuse of recent growth in Great Britain.

FOREIGN BORROWING IN THE UNITED STATES.

Leading New York bankers estimate that more than \$247,000,000 in foreign loans has been placed in the United States since the commencement of the war. This does not take into account the amount of subscriptions from the United States for the second German war loan, as anything like accurate details on this point were difficult to obtain; neither does the compilation cover British credits which have been established in a private way awaiting the conclusion with American bankers of the much-talked-of \$150,000,000 loan or credits. It is natural to assume, therefore, that the advances already made to European countries are much larger than the total indicated. Some authorities estimate that financing on this score not accounted for would probably reach \$50,000,000. So this would make a grand total of more than \$300,000,000 loaned by the United States to foreign countries since the outbreak of the European conflict. But the great bulk of these loans has been placed since the first of the year.

Prominently represented in the total are Canadian securities amounting to \$85,500,000 made up of provincial, municipal and corporation issues. France has been the next largest borrower, followed by Argentina and Russia.

Bankers who played the most important part in these financial operations are authority for the statement that a very large part of the proceeds obtained by foreign countries has been disbursed in the United States by the borrowers, the loans or credits having been negotiated to make payment for supplies of various kinds.

ESTABLISHED 1873

The

Standard Bank

of CANADA

Head Office, TORONTO

124 BRANCHES THROUGHOUT THE DOMINION



KEEPING a bank account for "household expenses" and paying all bills by cheque has many advantages. It shows the balance on hand, the amount expended, provides receipts for every payment and does not require a large deposit to begin with



Montreal Branch: 136 ST. JAMES STREET
E. C. GREEN, Manager.