

PUBLISHED EVERY FRIDAY  
BY

The Monetary Times  
Printing Company  
of Canada, Limited

Publishers also of  
"The Canadian Engineer"

# Monetary Times

Trade Review and Insurance Chronicle  
of Canada

Established 1867

Old as Confederation

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## Bank Statements Show Business Growth

Current Loans, Demand Deposits and Circulation All Increase Substantially —  
Victory Loan Payments Cause Falling Off in Savings Deposits—Loans to Mun-  
icipalities Are Also Cut Down — Capital and Reserves Still Further Increased

	October, 1918.	September, 1919.	October, 1919.	Year's inc. or dec.	Month's inc. or dec.
Deposits on demand	\$ 644,220,998	\$ 650,743,015	\$ 705,280,241	+ 9.5	+ 8.5
Deposits after notice	1,076,514,627	1,277,437,715	1,262,746,984	+ 17.3	— 1.2
Current loans in Canada	1,003,593,603	1,058,572,202	1,104,940,160	+ 10.1	+ 4.4
Current loans elsewhere	112,869,399	151,814,511	160,713,386	+ 42.9	+ 5.9
Loans to municipalities	46,275,106	57,033,309	56,116,897	+ 21.8	— 1.8
Call loans in Canada	73,685,136	96,912,709	100,549,390	+ 36.9	+ 4.0
Call loans elsewhere	157,040,858	169,532,489	158,194,085	+ .6	— 6.5
Circulation	232,438,622	229,532,356	242,509,573	+ 4.3	+ 5.7

The above are the principal changes shown by the Finance Department's summary of statements of chartered banks as at October 31st, the most notable change being the increase in current loans, accompanied by the increase in demand deposits and in circulation, for the month. The peak of savings deposits was probably reached about October 25th, before the Victory Loan campaign. Considerable withdrawals were made during the first week of the campaign, and the total savings deposits on October 31st were less than at the end of September, by \$15,000,000. Advances to municipalities also show a seasonal falling off, as tax payments came in in large volume in October, and permanent financing was well completed up to date.

Several changes are shown in the banks' capital and reserves, compared with September, as follows:—

	Capital subscribed.	Capital paid up.	Reserve.
Merchants	\$195,500	\$204,770	.....
Provincial	.....	16,905	.....
Union	329,300	344,410	\$206,646
Royal	3,700	52,510	26,255
Hamilton	.....	5,820	2,910
Sterling	.....	648	.....
Totals	\$528,500	\$625,063	\$235,811

The following comparison shows the changes in deposits in Canada over a period of one year:—

	Deposits payable on demand.	Deposits payable after notice.
1918—October	\$644,220,998	\$1,076,514,627
November	666,366,359	939,329,271
December	711,034,060	958,473,557
1919—January	623,919,410	990,000,085
February	566,775,434	1,018,184,512
March	566,797,268	1,037,851,766
April	571,412,857	1,070,985,080
May	568,730,118	1,107,983,072
June	605,927,027	1,139,569,570
July	584,176,765	1,175,092,155
August	584,300,855	1,196,632,931
September	650,743,015	1,277,437,715
October	705,280,241	1,262,746,984

While the savings deposits have fallen off, demand deposits and total deposits have made a record. The course of the deposits account during the past six years is shown in the following table:—

	October.	On demand.	After notice.	Total.
1914	.....	\$348,732,830	\$ 659,806,682	\$1,008,539,512
1915	.....	392,042,193	701,336,850	1,093,379,043
1916	.....	489,230,234	814,297,404	1,303,527,638
1917	.....	495,058,449	985,790,850	1,480,849,299
1918	.....	644,220,998	1,076,514,627	1,720,735,625
1919	.....	705,280,241	1,262,746,984	1,968,027,225

Balances due to the Dominion government show an increase of \$11,000,000, probably a result of transfers on Victory Loan account. Those due to the provinces, on the other hand, were down by \$3,500,000. Among the other liabilities, balances due to banks in the United Kingdom decreased by about \$1,700,000, those due to banks elsewhere increased by about \$1,300,000, and acceptances under letters of credit increased by \$8,000,000.

In the assets statement, the following changes are shown for the month in the holdings of coin and Dominion notes:—

Gold and sub. coin in Canada	.....	— \$159,527
" " " " elsewhere	.....	— 329,025
" " " " Total	.....	— 506,554
Dominion notes in Canada	.....	— 642,335
" " elsewhere	.....	+ 1,477
" " Total	.....	— 627,380

Holdings of notes of other banks show a decrease of over \$2,500,000, and holdings of checks an increase of \$9,000,000. War loan payments are in part responsible for the latter. Further financing of the Dominion government is reflected in the holdings of securities of the Dominion and provincial governments, which were \$38,000,000 more at the end of October than at the end of September. Call loans in Canada are increased by over \$3,000,000, but those elsewhere fell by \$11,000,000. The following table shows the course of principal loan accounts in recent years:—

	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
October.				
1914	\$ 816,623,852	\$ 42,040,716	\$ 70,201,939	\$ 81,201,671
1915	780,785,754	49,612,985	74,574,270	120,681,624
1916	774,928,222	79,459,621	90,412,023	189,346,216

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