

Financial and Statistical.

THE AUGUST BANK STATEMENT.

The Bank statement for August is usually one of the least interesting of the year. There are no movements associated with that month of much importance or interest that affect the banks.

It was anticipated that the returns would show some signs of being affected by the disturbed financial conditions of the States. Those signs appear, but are only just sufficient to confirm all that has been said as to the stability of our affairs, and the absence in Canada of any such unhealthy conditions as those across the border, which, had they existed, would inevitably have proved seriously disturbing to the banks of the Dominion.

The decrease in the amount of circulation of \$264,501 is an unusual feature, but one of slight significance, as the figures for July were very high for that month, so high indeed as to have rendered increase in August unlikely to occur.

The lowering of the total volume of deposits by \$4,568,031 is, however, a more significant change, not so much from its extent as from the remarkable fact that reductions took place in the deposits of almost every bank in the country. But though we regard this as strong presumptive evidence of there having been a slight tremour of confidence felt as a consequence of the convulsion in the States, the smallness of the withdrawals shows it to have been confined to classes whose deposits are comparatively small. For the Canadian banks to have lost about two and a half per cent. of

their deposits when banks in the States were going down by hundreds from deposit withdrawals, shows that our position was like that of mariners safely riding at anchor watching a vessel laboring hard to weather a storm.

The enlarged holding of specie and dominion notes arose from a precautionary movement in view of the costliness and difficulty of obtaining gold from the States, had it been needed. It is not unlikely that this contingency will lower the confidence hitherto felt by our bankers in their balances in the States being a reserve, available promptly in case of a sudden call. Although this would not be a profitable operation, we believe it would be a prudent one, to enlarge the cash in the bank treasuries at the expense of the funds engaged in the U.S. money market.

The decline in extent of current loans by \$981,358 is not a novelty at the close of the summer.

Since the August returns we made up the situation in the States has been entirely changed by the emphatic verdict of Congress condemning the Sherman Act. Since then gold has flowed in freely, confidence has been largely restored, hoardings have again come out for depositing in banks, and the paralysis of currency has been relieved.

But the Senate is playing a game fraught with grave danger to financial interests, by arousing fears as to its decision on the Silver question, which, if contrary to that of Congress, will produce a relapse which will be full of peril.

The necessity for Canada acting with extreme caution until the monetary affairs and the currency system of the States are placed upon a sound basis, cannot be too strongly impressed upon the country.

STATISTICAL ABSTRACT OF THE CHARTERED BANKS IN CANADA.

<i>Assets.</i>	31st Aug., 1893.	31st July, 1893.	31st Aug., 1892.	Increase and Decrease for month.	Increase and Decrease for year.
Specie and Dominion Notes.....	\$20,456,746	\$19,205,204	\$19,161,710	Inc. \$ 1,251,542	Inc. \$ 1,295,036
Notes of and Cheques on other Banks.....	6,519,972	8,554,319	7,031,487	Dec. 2,034,347	Dec. 511,515
Due from American Banks and Agencies.....	13,562,629	15,616,213	24,809,507	Dec. 2,053,584	Dec. 11,246,878
Due from British Banks and Branches.....	3,364,470	3,860,549	1,323,559	Dec. 496,079	Inc. 2,040,911
Canadian Municipal Securities and Brit., Prov. or } For'gn. or Colonial other than Dominion..... }	9,398,221	9,257,519	8,995,858	Inc. 140,702	Inc. 402,363
Railway Securities.....	5,979,966	5,823,083	7,840,507	Inc. 156,883	Dec. 1,860,541
Loans on Stocks and Bonds on Call.....	14,398,606	15,141,457	17,487,343	Dec. 742,851	Dec. 3,088,737
Current Loans to the Public.....	205,956,200	206,937,558	186,312,886	Dec. 981,358	Inc. 19,643,314
Overdue debts.....	2,964,999	2,856,682	2,379,312	Inc. 108,317	Inc. 585,687
Total Assets.....	300,863,015	304,428,029	294,052,600	Dec. 3,565,014	Inc. 6,810,413
<i>Liabilities.</i>					
Bank notes in Circulation.....	33,308,967	33,573,468	32,646,187	Dec. 264,501	Inc. 662,780
Due to Dominion Government.....	2,476,608	2,757,991	2,058,470	Dec. 281,523	Inc. 418,138
Due to Provincial Governments.....	3,769,284	3,976,518	3,350,832	Dec. 207,234	Inc. 418,452
Deposits made by the public.....	166,453,703	171,021,734	162,822,763	Dec. 4,568,031	Inc. 3,630,940
Do payable on demand or after notice between Bks.....	2,718,117	2,616,681	3,501,208	Inc. 101,436	Dec. 783,091
Due to American Banks and Agencies.....	169,273	124,796	211,765	Inc. 44,377	Dec. 42,492
Due to British Banks and Branches.....	5,538,573	4,600,301	4,631,499	Inc. 938,272	Inc. 907,074
Total Liabilities.....	214,919,947	219,319,527	209,756,866	Dec. 4,399,580	Inc. 5,163,681
<i>Capital.</i>					
Capital paid up.....	62,029,038	61,954,773	61,640,390	Inc. 74,265	Inc. 388,648
Reserve Fund.....	26,062,576	26,031,245	24,772,564	Inc. 31,331	Inc. 1,290,012
Directors' Liabilities.....	7,978,632	7,808,506	6,823,246	Inc. 170,126	Inc. 1,155,386

Deposits with Dominion Government for security of note circulation being 5 p.c. on average maximum Circulation for year ending 30th June, 1893, \$1,827,267.