

The Canadian Bank of Commerce

Head Office—Toronto, Canada

Paid-up Capital - - - \$15,000,000
Reserve Fund - - - 13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
ALEXANDER LAIRD - - - General Manager
JOHN AIRD - - - Assistant General Manager

This Bank has 370 branches throughout Canada, in San Francisco, Seattle and Portland, Ore., and an agency in New York, also branches in London, Eng., Mexico City and St. John's, Nfld., and has excellent facilities for transacting a banking business of every description.

Savings Bank Accounts

Interest at the current rate is allowed on all deposits of \$1 and upwards. Careful attention is given to every account. Small accounts are welcomed. Accounts may be opened and operated by mail.

Accounts may be opened in the names of two or more persons, withdrawals to be made by any one of them or by the survivor.

The Bank of British North America

Established in 1836

Incorporated by Royal Charter in 1840

Paid-up Capital - - - \$4,866,666.66
Reserve Fund - - - \$3,017,333.33

Head Office in Canada, Montreal
H. B. MACKENZIE, General Manager

Branches in British Columbia

Agassiz	Kaslo	Quesnel
Ashcroft	Kerrisdale	Rossland
Bella Coola	Lillooet	Trail
Duncan	Lytton	Vancouver
Esquimalt	North Vancouver	Victoria
Fort George	150-Mile House	Victoria, James Bay
Hedley	Prince Rupert	

YUKON TERRITORY

DAWSON

Savings Department at all Branches.

Special facilities available to customers importing goods under Bank Credits.

Collections made at lowest rates

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued; negotiable anywhere.

Vancouver Branch

WILLIAM GODFREY, Manager
E. STONHAM, Assistant Manager

demonstrated. The quality of the security to be offered will in most cases be acceptable. The City of Montreal has about concluded a loan of over five million dollars, and rumors are going about that a large Dominion loan is in process of negotiation. Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, in his annual address has pointed out, and this Journal has also stated, that the excess balance of trade against the Dominion on account of trade with the United States would be made up of corporate borrowings from New York. This adverse balance of trade will likely, in this year of dull business, exceed one hundred million dollars, and this must be made up of loans; else we cannot buy goods from the Republic. We think that American finance will arrange the loans if the proceeds are to be spent in the United States. With British funds cut off from us except for purposes of war, the ability of Canada to borrow in another market is not as dark as at one time seemed. With the sinews of commerce to some extent assured, if perhaps not with the adequacy with which we have been accustomed, the domestic situation can be viewed with a greater sense of comfortableness. Apart from commercial activity due to consumptive requirements, two considerations of prime importance present themselves. One is the determination of the effect of war orders on general business, and the other is the effect of crops with high prices obtaining.

We have seen how the effect of the placing of three hundred millions of dollars of war orders in the United States has settled their troublesome exchange situation, and has greatly stimulated their industrial recovery. At the turn of the year the exchange market at New York had reached the normal gold import point, despite the fact that September 1st, a month after the war had started, the exchange situation was well-nigh desperate. The majority of factories in the United States that are capable of turning out supplies of munitions of war are busy on orders, and those orders have not only prevented further retrenchment but have actually turned the tide toward industrial recovery. The analogy of the United States is certainly applicable to a degree to Canada, limited only to the capacity of our factories handling this class of trade. So far as the British war and naval offices are concerned the Dominion factories are naturally to be favored, and France and Russia are predisposed in our favor. How soon business in war orders will stem and ultimately turn the tide cannot be ventured, but that it is operating in that direction now cannot be doubted.

The influence of crops will likely not have much bearing until the close of summer. The high prices for cereals have and will have a stimulating effect in territories where good crops have been raised the past year, and will operate adversely in those districts which experienced poor crops or partial failures. Whatever has been the experience during the past season, it is certain that war prices for wheat and oats will cause a tremendous increase in acreage for those two cereals. In fact from the present outlook for a world wheat crop and Europe's consumptive demands, the planting of acreage to wheat cannot well be overdone. The danger lies in placing all the eggs in one basket. With average conditions obtaining, we will raise the greatest wheat crop in our history; with exceptionable favorable conditions obtaining, a vast quantity of obligations will be liquidated, for there will be an ample market at high prices for all we can raise; but if adverse weather conditions obtain, something precious near to a disaster will be experienced. There is nothing left to do but to plant the most we can handle, and hope for the best.

With a gradual recovery, aided by war orders and great agricultural expansion, to be expected, the purely financial situation will right itself. Speculation of every kind must be reduced to a minimum, and every form of financial resource must be rigidly conserved. The taut conditions in the mortgage market will gradually relax, and funds for

(Continued on Page 9)