

figuring would not allow sufficiently for Montreal's position. The loans in this city are enormous. So are the loans in Toronto, Winnipeg and Vancouver. Merely because they possess these great commercial and financial centres the Provinces of Quebec, Ontario, Manitoba and British Columbia would probably show loans considerably in excess of the other provinces.

#### THE ROYAL BANK OF CANADA'S DEVELOPMENT.

The Royal Bank of Canada grows apace. Last year its assets were increased by the substantial amount of \$18,000,000 bringing them up to \$110,528,512, against \$92,510,347 at the close of 1910, \$67,051,102 in 1909, and only \$50,470,210 at the close of 1908. So that actually in three years the bank's total assets have much more than doubled. Deposits show the same rapid advance. At December 30, they were \$88,204,808; three years before they were only \$37,576,544. While the absorption last year of the Union Bank of Halifax in part accounts for the rapidity of this growth, the figures show that without this access of business the expansion of the bank, under the able management of Mr. Edson L. Pease, during the last three years would have been very large. It is likely enough that the current year will see another pronounced bulge in the figures of this bank. The bank lately announced an increase of \$2,000,000 in its paid-up capital, so that within the current year this item will have been increased to \$8,200,000.

The following is a comparison of the leading figures in the bank's balance sheet during the last three years:—

	1909.	1910.	1911.
	\$	\$	\$
Capital paid up . . . . .	5,000,000	6,200,000	6,251,080
Reserve . . . . .	5,700,000	7,000,000	7,056,188
Total Deposits . . . . .	50,822,129	72,079,607	88,294,808
Circulation . . . . .	4,579,678	5,925,890	6,338,076
Liabilities to the public . . . . .	55,858,710	78,652,533	96,358,342
Specie . . . . .	3,560,347	4,141,664	4,801,012
Dominion Notes . . . . .	4,993,532	8,530,488	10,094,472
Call Loans . . . . .	9,638,309	7,178,574	13,322,851
Quick Assets . . . . .	31,406,621	37,226,670	47,738,449
Current Loans . . . . .	33,644,705	52,471,208	59,646,165
Total Assets . . . . .	67,051,102	92,510,346	110,528,512

From these figures it will be seen that the Royal Bank's gain in deposits last year was \$16,000,000, following an increase of \$21,000,000, which included the deposits of the Union Bank of Halifax, in 1910. Circulation has advanced by \$400,000 and the total increase in the liabilities to the public is \$17,700,000, bringing them up to \$96,358,342. On the other side of the account, cash received the substantial augmentation of \$2,200,000, bringing it up to \$14,805,484. The bank was able heavily to increase its foreign call loans, the total of call loans at December 30 being \$13,322,851 compared with \$7,178,574 a year ago. This increase in call loans and considerable augmentation of cash, together with a

substantial advance in the total of securities held, are factors in enabling the bank to report a higher percentage of quick assets to liabilities to the public than last year, the proportion now returned being 49.5 p.c. against 47.3 p.c. in 1910. Actual cash on hand, balances on deposit with other banks, and call loans in New York and London exceed 32 p.c. of the total liabilities to the public. Commercial loans show an advance of over \$7,000,000 upon last year and at \$59,646,165 represent 65.55 p.c. of the deposits.

From the standpoint of profits as from that of extension of operations, last year was a record one. The declared profits, after making the usual allowances are \$1,152,250, an increase of \$200,000 upon the profits of last year which were \$951,337, and equal to 18.58 p.c. upon the capital stock of \$6,200,000. The 12 p.c. dividend absorbs only \$744,000; \$200,000 is written off bank premises, \$50,000 is transferred to the officers' pension fund and the increased balance of \$401,480 is carried forward.

The speech of Mr. H. S. Holt at yesterday's annual meeting contained a number of interesting references. With reference to the rumours which have been lately published concerning the absorption by the Royal Bank, of the Colonial Bank, of London and the West Indies, Mr. Holt announced that these were well-founded, but that the negotiations had recently been discontinued by mutual consent, as it was not possible to reach an agreement on all questions. As to mergers, Mr. Holt took the position which has been consistently maintained by THE CHRONICLE. "The merger craze," he said, "has been carried too far and is already having its aftermath. No promotion—desirable or undesirable—can succeed without the assistance of the banks, and by these the undesirable consolidations should be frustrated for the sake of their own reputations, for the protection of the public and in the interest of the country's credit abroad."

Mr. Edson L. Pease, the vice-president and general manager, announced that in view of the opening of the Panama Canal, the Royal Bank will extend its branches in that quarter.

#### WHOLESALE PRICES STEADY ON VERY HIGH LEVEL.

Wholesale prices throughout Canada during December were on practically the same level as in the preceding month, according to the index number of the Department of Labour. The number stood at 130.8 in both months. Compared with December a year ago, a rise of over 8 points is shown. These numbers, it will be understood, are percentages in each case of the average price level prevailing during the decade 1890-1900, and are calculated from quotations of about 230 articles. The chief increases during the past year occurred in grains and fodder, dairy products, fish, hides, and metals, there having been decreases in animals and meats, textiles, paints and oils.