

WE are prepared to purchase
entire issues of

MUNICIPAL BONDS

and invite enquiries from
Municipal Authorities as
to market conditions
when new financing is
contemplated.

ROYAL SECURITIES CORPORATION Limited

164 St. James St., MONTREAL

13 King St. East, TORONTO

Correspondence Invited

We are always open to
purchase entire issues of
Municipalities whose af-
fairs are kept in sound
condition.

R. A. DALY & CO.

Bank of Nova Scotia Building,
TORONTO

BANK OF MONTREAL.

The Bank of Montreal statement for the six months to April 30th, 1917, provides interesting reading in Canadian banking and financial circles. Coming, as it does, for the six months' period, it is the first report yet available which will permit of an opinion being formed as to just how the Canadian banks are coming through the year 1917. On this account, there will be special interest in finding that the Bank of Montreal is to-day in a stronger position than it ever has been. This is especially noteworthy at the present time, as ever since the outbreak of the European war the Bank has centered almost entire attention on keeping itself in such a position as would enable it to deal with any contingency that might possibly arise as a result of the unsettlement caused by the developments in Europe.

While the showing made will be greatly appreciated at home, the record established will be of even greater assistance to Canada in outside banking fields, especially those in which Canadian financing may have to be carried out during the next few years. From time to time it has been remarked that Canada has come through the uncertain period of the war very nicely, but it is doubtful whether at the outbreak of hostilities anybody could have guessed that after three years the leading financial institutions of the country would be in such strong shape as is now reported by the Bank of Montreal.

The outstanding features of the report, as compared with the end of the last fiscal year, includes an increase of over \$21,000,000 in assets, bringing the total assets up to \$386,806,887 liquid assets amounting to as much as \$270,004,422, equal to 77.16 per cent. of liabilities to the public and cash on hand equal to 15.01 per cent. That the Canadian people are continuing to add steadily to their savings is shown by a gain in deposits during the six months of over \$22,000,000, this being at the rate of over \$3,500,000 a month. What makes this gain especially noteworthy is that during the same period there have been very large withdrawals on the part of depositors who were taking a share of the last Canadian war loan.

A closer examination of this statement indicates that evidently in its position as bankers for the Government, the Bank of Montreal has been largely identified with government war loans and special business and, at the same time, has handled a very considerable amount of the munition business of the country. This condition is shown by an increase of over \$10,000,000 in Dominion notes, a gain of approximately \$7,000,000 in British securities and the maintenance of the circulation of the Bank at over \$21,000,000, which is close to record levels.

Ever since the outbreak of the European war the Bank of Montreal has strongly advocated a policy of caution and has set an example by keeping its powder dry, with a view of being prepared for all contingencies. With the unprecedented financial conditions prevailing throughout the world, it has been impossible to forecast just what conditions might prevail from time to time, and with the war under way for almost three years, it must be admitted that this condition prevails to an even greater extent to-day. Of course, with the position which the Bank occupies, such a policy is of just as great benefit to the Dominion as it is to the Bank itself. On this account there must, necessarily, be a certain amount of satisfaction that Canada is pulling through the war period in such a satisfactory manner.

It has been felt that Canada's record overseas and the enormous wheat crops the country has delivered to the Allies would mean considerable immigration to this country after the war. At the same time, the strength shown by the Bank of Montreal will lend confidence in the investment of capital in the Dominion and will indicate just how well the country has been able to look after its own.

Continued Growth in Deposits.

One of the most satisfactory features of the entire report is the evidence of the thrift that is being continued by the Canadian people, as represented by the large increase in deposits bearing interest. To-day's statement will be examined carefully from this standpoint, as it is the first report issued since the recent Canadian loan was brought out, and it was known that a very large amount of money had been withdrawn from the leading Canadian Banks by subscribers desirous of co-operating by subscribing to these loans. Notwithstanding the extensive withdrawals, the deposits bearing interest now stand at \$232,731,994, up from \$210,439,031 at the end of the fiscal year, while deposits not bearing interest amount to \$91,412,284, up from \$88,767,018.