

# BANK OF MONTREAL

Established over 100 years

Capital Paid Up .....	\$20,000,000
Rest .....	\$20,000,000
Undivided Profits .....	\$1,812,854
Total Assets .....	\$545,304,809

## BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President  
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## HEAD OFFICE: MONTREAL

Sir Frederick Williams-Taylor, General Manager

Branches and Agencies { Throughout Canada and Newfoundland, At London, England, and at Mexico City. In Paris, Bank of Montreal (France). In the United States—New York, Chicago, Spokane, San Francisco—British American Bank (owned and controlled by Bank of Montreal).

## A GENERAL BANKING BUSINESS TRANSACTED

W. H. HOGG, Manager  
Vancouver Branch

our exports to the United Kingdom has been made on credit and not cash, in consequence of which we were not able to use this favorable balance to compensate for our unfavorable balance in the United States.

The world exchange situation is also a factor in our present situation and may prove more and more difficult to surmount as the pound sterling, the franc and the lire depreciate in terms of the American dollar. At the signing of the armistice history can furnish few instances where one country so dominated the world from an economic point of view as does the United States at this time. Not only was the United States filled with goods but that country possessed the greatest stock of gold that was ever drawn together in one country and had extended financial credits on a scale with which Great Britain could offer only a single comparison. During the war the necessity for financial co-operation and unity was such that international financial transactions were fixed on a determined basis, but with the signing of the armistice or shortly thereafter, the removal of war measures resulted in an open market with only financial considerations holding sway. Great Britain from the first decided to let the exchange market take care of itself. If the people of Britain wish to purchase American goods they must do so on the prevailing basis without subject to governmental interference. France sought to maintain the price of the franc in terms of the American dollar and for a time succeeded in maintaining its value, not far removed from the price pegged during the war, but the weight of international transactions was such that the French government was compelled to remove all obstructions, and in consequence the franc has continued to decline. The Italian exchange situation is the same as the French situation, except that it is more aggravated, and similarly with regard to the German mark, with even more exaggerated conditions obtaining with the Austrian krone.

On the other hand, the American dollar is at a discount in China, Chile, Argentine and sometimes Sweden and Spain but in these instances, due to the small amount of trade in comparison with Great Britain and Canada the discount has not proved a serious obstacle. The attitude of the United States government is that with the cessation of hostilities government aid can no longer be extended, and in consequence, if the situation is to be remedied, it must be remedied by private initiative and operation. Because of the unstable international conditions with regard to peace, private enterprise has not had the opportunity of devising ways and means in any thorough-going manner of attempting to solve the exchange situation, and on the other hand, by reason of the great industrial disputes and labor unsettlement, production has decreased in Europe, so that the exports of commodities cannot assume sufficient proportions to solve the problem. The position of Great Britain is vastly superior in this connection to that of France, by reason of the fact that, notwithstanding her severe labor disputes, she is fast getting back to a productive period which is in large measure filling the domestic demand and leaving something for her exports. France, on the other hand, had a very serious crop failure, which involved the necessity for a huge food import campaign, while at the same time she was unable to cope with a prompt industrial re-establishment on account of the ravages of war.

Not all the difficulties of the exchange situation faces the merchants of those countries in which the dollar exchange is at a high premium. If the present situation be allowed to continue for any prolonged period the position of the United States exporter becomes more and more difficult and ultimately becomes an impossibility, whereas Britain, France, Italy and Germany will become more and more important factors in the import trade of the United States as they reach the condition wherein they will have an exportable surplus. As European production increases the export situation of the United States becomes increasingly

(Continued on Page 8.)

# The Royal Bank of Canada

INCORPORATED 1869.

Capital Authorized .....	\$ 25,000,000
Capital Paid Up .....	16,000,000
Reserve and Undivided Profits .....	17,000,000
Total Assets .....	460,000,000

## HEAD OFFICE, MONTREAL.

### BOARD OF DIRECTORS:

Sir Herbert S. Holt, K.B., President; E. L. Pease, Vice-President and Managing Director.

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Hugh Paton	C. E. Neill	W. H. McWilliams
Robt. Adair	Sir Mortimer B. Davis	Capt. W. Robinson
	A. McTavish Campbell	

### OFFICERS:

E. L. Pease, Managing Director.  
C. E. Neill, Gen. Manager; F. J. Sherman, Asst. Gen. Manager.  
M. W. Wilson, Superintendent of Branches.

568 Branches well distributed through the Western Hemisphere as follows:—

### CANADIAN BRANCHES:

155 Branches in the Province of Ontario.
50 " " " " " Quebec
23 " " " " " New Brunswick.
59 " " " " " Nova Scotia.
10 " " " " " Prince Edward Island
38 " " " " " Alberta.
33 " " " " " Manitoba.
106 " " " " " Saskatchewan.
45 " " " " " British Columbia.

### OUTSIDE BRANCHES:

8 Branches in Newfoundland.
54 " " " " " West Indies.
9 " " " " " Central and South America

590

Vladivostok, Siberia; Barcelona, Spain; Paris, France, 28 Rue du Quatre-Septembre.

London, England, Office: Princess Street, E.C. 2.  
New York Agency: Corner William and Cedar Streets.

## ELEVEN BRANCHES IN VANCOUVER

C. W. FRAZEE, Supervisor of B. C. Branches, Vancouver.  
THOS. P. PEACOCK, Mgr., R. M. BOYD, Asst. Mgr., Vancouver Branch.