

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

Now the obverse is true. A decrease in price is taken by the public as an increased argument against purchase; in consequence we find little demand springing up at each decrease in price of those commodities that have been so far affected.

A third contributing cause in addition to the world-wide strain on credit and the efforts of credit institutions to bring trade into a safer position to withstand a cut in price, is that of the transportation problem which in the United States at least is almost a controlling factor in the distribution of goods. This entailed large losses on the part of manufacturers and producers and caused the dumping of goods in markets that were overloaded, rather by the sending of goods to markets that were short of commodities. A number of other causes will occur to the reader and whether or not these causes are evidences of fundamental changes or fundamental themselves cannot be definitely answered at this moment.

The present situation is unmistakably in the direction of still lower prices. We see that raw products are in some cases down to pre-war level, particularly that of leather and silks. Cotton, wools, wheat, corn and live-stock are on the down grade with no evidence that the bottom has been reached. It can be definitely stated that the influences of these decreases will affect a very wide range of commodities and that decreases in these others will certainly take place. Where extreme shortages exist and demand continues, the resistance to decrease in price is successful yet ultimately, and before any readjustment can be stated to be complete, these must be affected in similar manner.

The influences of these price reductions on trade is beginning to make itself felt all through commerce and industry. We note on the one hand that there is decreased production and the labor situation has been distinctly relieved to date. If it proceeds much further there is likely to be a severe unemployment problem facing both the United States and Canada. Due to the fall in price, bank loans are being contracted in the direction of reduced stocks on hand and, on the other hand, are being expanded from primary sources, or those connected with the marketing of raw products, particularly for the distribution of agricultural produce. Deflation is to some degree in progress, although it may take perhaps a year to give much evidence concerning it.

Industry and business depression is apt to follow as a consequence of these conditions. The business world in

(Continued on Page 11.)



To MANUFACTURERS, EXPORTERS, IMPORTERS AND OTHERS—

Through our chain of 710 Branches, stretching from Newfoundland to the Pacific Coast, throughout the West Indies and in Central and South America, we can offer you a Banking Service of unexcelled efficiency.

MONTHLY COMMERCIAL LETTER

Write for our Monthly Commercial Letter to our FOREIGN TRADE DEPARTMENT, MONTREAL, Que.

The Royal Bank of Canada

LONDON PARIS NEW YORK BARCELONA

Capital and Reserves	\$ 38,000,000
Total Assets	\$590,000,000



LLOYDS BANK LIMITED.

Head Office: 71, LOMBARD STREET, LONDON, E.C. 3.

CAPITAL SUBSCRIBED	-	(\$5 = £1.)	\$353,396,900
CAPITAL PAID UP	-		70,679,380
RESERVE FUND	-		49,886,410
DEPOSITS, &c.	-		1,621,541,195
ADVANCES, &c.	-		821,977,505

THIS BANK HAS ABOUT 1,500 OFFICES IN ENGLAND AND WALES.

Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
London Agency of the IMPERIAL BANK OF CANADA.

The Agency of Foreign and Colonial Banks is undertaken.

Affiliated Banks:

THE NATIONAL BANK OF SCOTLAND LIMITED.
THE LONDON AND RIVER PLATE BANK LIMITED.

Auxiliary:

LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LTD.