

BANK OF MONTREAL

Established 1817

Capital Paid Up	- - - - -	\$ 16,000,000.00
Reserve Fund	- - - - -	16,000,000.00
Undivided Profits	- - - - -	1,321,193.00
Total Assets	- - - - -	390,421,701.00

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Bankers in Canada and London, England, for the Government of the Dominion of Canada.

Branches established throughout Canada and Newfoundland; also in London, England, New York, Chicago, and Spokane.

Savings Department at all Canadian Branches. Deposits from \$1. upwards received and interest allowed at current rates.

A GENERAL BANKING BUSINESS TRANSACTED

July Trade Increased

Official Statement Shows Remarkable Increase in Trade of the Dominion.

The trade of Canada during July showed the phenomenal rise of 141 per cent, or \$139,860,450. The total trade for the month amounted to \$238,860,488, and for the four months ending July 31 it reached the total of \$766,372,832, as against \$371,646,906 in the corresponding period of last year.

The statement issued by the Department of Customs shows that both exports and imports have contributed to the aggregate increase, with the larger figures in the export column. Imports for consumption amounted in value to \$63,622,587 in July as compared with \$36,622,190 in July last year, while in the four months period they rose from \$134,729,377 to \$249,867,767. The July exports reached a value of \$104,964,270 compared with \$45,590,038.

In the four months the exports have risen from \$159,168,259 to \$350,345,305. These are the figures for domestic imports and exports only. In the movement of coin and bullion there has been a sharp decline as regards imports and, for the four months, of exports also, although the gold exports last month were slightly larger than in the same month of 1915.

In the export of foreign merchandise there has been a notable increase, nearly one thousand per cent. The volume of these exports rose from \$11,494,457 in the four months of last year to \$122,627,072 in the same period this year. In the month of July they jumped from \$2,916,682 to \$55,637,340.

An interesting feature of the statement is the substantial rise in the imports of free goods; there has been, however, a corresponding increase in the imports of dutiable merchandise, and the duty collected in the four months has risen from \$28,085,471 to \$46,063,507.

The detailed statement of exports shows that the shipments of Canadian manufactured products trebled in July, amounting to \$38,264,136, while the exports of farm products, amounted to \$38,585,309, or five times the total of July last year. Exports of foreign mine products, which were less than a million in July last year, reached a total of over fifty-four millions last month.

FRANCE ARRANGES NEW CREDIT.

A group of New York banks and bankers has perfected arrangements with a group of ten private bankers of Paris for a commercial export credit of \$25,000,000 for one year. The credit will be availed of by the drawing of 90-day sight drafts, with two renewals. The credit, or loan, is secured by the deposit in New York of French Government Defence bonds and payment is guaranteed by the Bank of France.

The new credit of \$25,000,000 is a transaction similar to the one made just a year ago, excepting that last year's credit was for \$20,000,000, and that the new credit calls for the payment of a higher interest rate. The rate paid on the \$20,000,000 credit was 4½ per cent, plus a commission of one-half of 1 per cent for each renewal, making the total cost 5½ per cent.

July Bank Statement

Savings deposits as shown by the July bank statement shows a gain of \$118,000,000 over July, 1914, while demand deposits are \$85,000,000 higher. The gain in deposits will be of benefit to the new domestic loan which is to be issued inside a few weeks. The gain in savings deposits as compared with the end of June was in excess of 21 millions, while demand deposits rose nearly four millions. Current loans in Canada, in touching a new low level for many years, showed a decrease of 7½ millions as compared with June.

although deposits abroad were about 5¼ millions from both agricultural and industrial pursuits, while the heavy export movement of last year's grain surplus is no doubt contributing to the liquidation of loans, despite the large activity of industry at the moment.

The demand for credits abroad in July was apparently more active than in Canada, as an increase in current loans abroad is shown, about 2¼ millions, although deposits abroad were about 5¼ millions lower.

Liquid resources in the form of call loans abroad were drawn on to the extent of 5½ millions during the month, presumably in connection with the arrangement for a new Imperial munitions credit. The preliminary figures issued recently gave no data as to the banks' security holdings, which no doubt reflect this transaction.

Comparisons of leading figures of the July return with those of June follow:

	July, 1916.	Change in month.
Circulation	\$ 123,530,451 X	\$ 157,056
Deposits dem.	413,958,188 X	3,840,848
Do. not.	789,363,919 X	21,765,789
Do. abroad	171,167,615 —	5,755,335
Curr. loans	740,040,741 —	7,429,800
Do. abroad	62,356,259 X	2,274,675
Call loans	87,355,648 X	579,174
Do. abroad	177,121,723 —	5,635,282
Specie	65,694,805 —	325,280
Dom. notes	140,574,483 —	2,064,389
Total liab.	\$1,599,119,699 X	\$ 2,965,384
Total assets	\$1,841,265,589 X	\$ 4,917,768

(X)—Increase. (—)—Decrease.

The changes in the past year are tabulated below:

	July, 1916.	Change in year.
Circulation	\$ 123,530,451 X	\$ 23,117,927
Deposits dem.	431,958,188 X	91,007,973
Do. not.	789,363,919 X	97,632,200
Do. abroad	171,167,615 X	72,405,389
Curr. loans	740,040,741 —	18,308,776
Do. abroad	62,356,259 X	20,571,626
Call loans	87,355,648 X	16,187,425
Do. abroad	177,121,733 —	699,441
Specie	65,694,805 X	3,260,343
Dom. notes	140,574,483 X	10,780,806
Total liab.	\$1,599,119,699 X	\$ 282,808,196
Total assets	\$1,841,265,589 X	\$ 302,395,310

(X)—Increase. (—)—Decrease.

SECURITY FOR AMERICAN LOAN.

Considerably more than the \$300,000,000 securities required as collateral to cover recent American loan has been deposited with British treasury. Estimated that foreign securities still available for government from British holders exceeds \$3,000,000,000, so that government will have ample collateral wherewith to negotiate further American loans if necessary.

SUEZ CANAL SHARES.

Paris cable says finance minister has sanctioned higher scale of stock brokers' commissions, owing to fact volume of trading is light in comparison with what it was before the war. Suez canal shares are quoted £5,000, against £4,000 last April.

ENGLAND'S CURRENCY NOTES.

England's war-time "currency notes" reached at the end of July at maximum of \$627,400,000, as compared with \$610,000,000 a month before and \$226,900,000 a year before. The outstanding total of this war-time currency is now \$263,000,000 greater than the total note issues of the Bank of England.

ESTABLISHED 1832

Paid-Up Capital
\$6,500,000



Reserve Fund
\$12,000,000

TOTAL ASSETS OVER \$100,000,000

The strong position of the Bank of Nova Scotia not only assures the safety of funds left on deposit with the Bank but also places it in a position where it can readily care for any legitimate business needs of its customers. We invite banking business of every description.

THE BANK OF NOVA SCOTIA