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Savings Deposits Reach Record in May

Bank Statement as a Whole Indicates Contraction of Business—Increase in Call Loans Reflects Activity in Stock and Bond Markets—Circulation Begins to Decrease

	May, 1918.	April, 1919.	May, 1919.	Yearly inc. or dec.	Monthly inc. or dec.
Deposits on demand	$535,655,731	$ 571,412,857	$ 568,730,118	+ 6.3	— .54
Deposits after notice	947,757,337	1,070,985,080	1,107,983,072	+ 16.9	+ 3.5
Current loans in Canada	894,817,113	1,107,986,523	1,071,447,686	+ 19.8	— 3.3
Current loans elsewhere	99,300,926	125,328,561	127,490,932	+ 28.3	+ 1.6
Loans to municipalities	57,728,226	47,911,199	50,356,227	— 12.3	+ 6.4
Call loans in Canada	78,466,582	86,091,844	89,187,032	+ 14.1	+ 3.5
Call loans elsewhere	172,259,879	155,533,666	157,176,325	+ 8.7	+ 1.3
Circulation	189,748,470	223,763,426	219,287,788	+ 16.8	— 1.5

THE above are the principal changes shown by the statement issued by the Finance Department, made up from returns sent in by chartered banks in Canada as at May 31st. Some of the figures which have been showing a continuous increase for many months past show a decrease in May, indicating a change from expansion to contraction of business. These are current loans, circulation and demand deposits. This movement, if moderate, will help to remove the inflation and high prices; while it necessarily means less business and lower profits, it should be ultimately beneficial in bringing industry back to a sound basis.

The changes for the year are nearly all upward. The decline in bank loans to municipalities is a result of the new financial conditions now existing, which enable municipalities to issue debentures on comparatively favorable terms.

Savings deposits have reached a record level. It is probable that the business reaction will soon affect these deposits, by at least slackening the increase. The following table gives record of deposits for the past thirteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1918—May	$535,655,731	$ 947,757,337
June	549,327,078	965,934,556
July	549,068,651	992,015,137
August	554,906,517	1,014,711,865
September	588,940,119	1,037,498,920
October	644,220,998	1,076,514,627
November	666,366,359	939,329,271
December	711,034,060	958,473,557
1919—January	623,919,410	990,000,085
February	566,775,434	1,018,184,512
March	566,797,268	1,037,851,766
April	571,412,857	1,070,985,080
May	568,730,118	1,107,983,072

The course of the deposits account for the past six years is shown in the following table:—

May.	On demand.	After notice.	Total.
1914	$340,748,488	$ 663,945,753	$1,004,694,241
1915	347,346,119	691,891,287	1,039,237,406
1916	412,301,481	765,064,041	1,177,365,525
1917	443,839,847	892,562,657	1,330,402,504
1918	535,655,731	947,757,337	1,483,413,068
1919	568,730,118	1,107,983,072	1,676,713,190

The trend of the Canadian loans account for the past thirteen months is shown in the following table:—

Loans.	Current in Canada.	Call in Canada.
1918—May	$ 894,817,113	$78,466,582
June	897,226,012	76,970,920
July	905,677,233	74,382,762
August	920,775,269	73,509,571
September	942,802,018	74,137,860
October	1,003,593,603	73,685,136
November	1,082,709,655	85,675,063
December	1,075,640,003	89,120,423
1919—January	1,080,340,861	87,598,427
February	1,095,301,791	79,154,121
March	1,117,197,446	87,601,337
April	1,107,986,523	86,091,844
May	1,071,447,686	89,187,032

The following table shows the call loans abroad in May, as compared with previous returns:—

	1916. $	1917. $	1918. $	1919. $
January	134,248,552	155,747,476	132,687,066	140,819,656
February	139,138,651	162,344,556	160,239,494	155,983,681
March	141,889,989	161,616,735	167,296,701	160,116,443
April	147,146,443	159,156,054	179,818,531	155,533,666
May	163,400,659	168,692,675	172,259,879	157,176,325
June	182,757,015	159,309,133	170,034,476	....
July	177,121,733	151,875,676	167,112,836	....
August	171,380,353	176,610,625	160,544,990	....
September	173,877,586	166,480,004	159,680,810	....
October	189,346,216	151,018,747	157,040,858	....
November	183,250,389	139,832,552	171,035,732	....
December	173,878,134	134,483,482	150,248,322	....

The following table shows the course of principal loan accounts during the past six years:—

May.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1914	$ 838,462,686	$ 51,812,875	$67,210,504	$129,897,328
1915	760,631,113	36,375,658	71,516,953	136,098,835
1916	763,136,917	59,600,342	84,826,636	163,406,059
1917	844,890,589	98,993,197	78,514,798	168,692,675
1918	894,817,113	99,300,926	78,466,582	172,259,879
1919	1,071,447,686	127,490,932	89,187,032	157,176,325