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THE CANADIAN BANK OF COMMERCE.

It is well known that the Canadian Bank of Commerce is in particularly close touch with the Dominion's industry and commerce. For some years its Canadian current loans and discounts have been larger than those of any other Canadian bank. As the Bank has enlarged the scope of its operations, gradually covering the whole of Canada with a network of branches, its organisation has shown great flexibility in its adaptation to the needs of all kinds of business endeavour. Its newly-issued report for the year ended November 30th last, shows that in addition to caring for Canadian business enterprises of all kinds, the Bank is well equipped with an amplitude of resources to take its part in the special war financing that is in prospect during the coming year by both the Canadian and British Governments.

A STRONG POSITION.

The following are the leading figures of the present balance sheet in comparison with those of the two previous years:—

	1916.	1915.	1914.
	\$	\$	\$
Circulation.....	19,259,348	16,397,908	14,942,558
Deposits (not bearing interest).....	62,484,072	52,964,795	41,090,512
Deposits (bearing interest).....	167,412,080	141,558,283	139,818,297
Total Liabilities to Public.....	258,598,177	220,932,234	215,218,904
Specie and Legals.....	40,291,006	39,901,993	30,337,215
Central Gold Reserve.....	6,000,000		
Bank Balances Abroad.....	7,201,798	6,319,808	5,782,386
Call Loans Abroad.....	21,141,336	18,534,329	18,750,527
Call Loans in Canada.....	14,725,133	12,847,521	8,926,860
Securities held.....	27,875,335	13,356,014	21,191,247
Total of Quick Assets.....	129,341,420	101,173,358	92,983,653
Current Loans and Discounts.....	150,242,549	140,920,867	142,588,076
Total Assets.....	288,427,580	250,421,840	245,364,399

It will be seen that the total growth in the Bank's deposits during the year was over \$35 millions. Of this growth non-interest bearing deposits account for about \$9,500,000 in a rise from \$52,964,795 to \$62,484,072, and interest-bearing deposits for \$26 millions, their growth being from \$141,558,283 to \$167,412,080. The importance of this latter increase can be appreciated when it is borne in mind that in the three preceding annual statements, the non-interest bearing deposits show changes of

less than two millions. The high figure of the Bank's circulation, \$19,259,348—an increase of nearly \$3,000,000 upon the 1915 total—reflects the important part taken by the Bank in the crop movement and to some extent also is a reflection of prevalent high prices.

SUBSTANTIAL GAIN IN LIQUIDITY.

On the other side of the account there is seen a substantial advance in the Bank's liquid position. Holdings of specie and legals are about the same as last year. But there is additionally this year a deposit of \$6,000,000 in the Central Gold Reserve. Call loans abroad at \$21,141,336 show a gain approaching \$3,000,000 and there is also a marked growth of nearly \$900,000 in bank balances abroad. Call loans in Canada are nearly two millions higher at \$14,725,133. Securities held have been more than doubled during the year, the 1916 total of \$27,875,335 contrasting with \$13,356,014 in 1915. This increase evidences, of course, the part played by the Bank in connection with the financing of munition orders, and, it is stated, chiefly represents British Treasury bills of which \$13,500,000 cover advances to the Imperial Munitions Board.

As a result of these movements, the Bank now reports total liquid assets, including Canadian call loans, of \$129,341,420, a gain for the year of over \$28 millions and representing a proportion to the liabilities to the public (which total \$258,598,177) of 50 per cent., compared with 45.9 per cent. a year ago.

The achievement of a stronger cash position, while not conducive to profits in view of the low average rates ruling in New York during the year, has not been at the expense of commercial loans, which aggregate \$150,242,549, an increase of nearly ten millions for the year. Of this total, \$133,738,131 represent Canadian loans and discounts, a gain of practically three millions over 1915.

MODERATELY INCREASED PROFITS.

It is probably due to this department of the Bank's business that the profits are better than last year, although the cost of administration in banking, as well as in other businesses, is now much higher than in pre-war days. Profits are reported as \$2,439,415, against \$2,352,036 and equivalent to 8.5 per cent. upon the paid-up capital and rest, compared with 8.3 per cent. in 1915. A balance of \$461,892 brought forward on profit and loss account makes the total available \$2,901,307. Of this total, the 10 per cent. dividend and 2 per cent. bonus absorb \$1,800,000; war-tax on note circulation, \$147,288; the annual contribution to the pension fund, \$80,000; patriotic and philanthropic subscriptions, \$71,700, the largely increased balance of \$802,319 being carried forward. This year, fortunately, it has not been necessary to write down securities, for which purpose a million dollars was set aside a year ago.

The annual meeting of the Bank is fixed for January 9th, when shareholders, who have every reason to be gratified with the results achieved, will also have the pleasure of hearing Sir Edmund Walker's annual address.

The Bank of England continues its official rate of discount at 6 per cent.