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# Monetary Times

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## Bank Statement Reflects Strong Position

**DURING August Current Loans Were Practically Maintained—**  
*Deposits at \$1,250,000,000 Make a New High Record—After*  
*Notice Deposits May be Affected by New Decision on Interest Rate.*

	August, 1915.	July, 1916.	August, 1916.	Year's inc. or dec.	Month's inc. or dec.
Deposits on demand	\$334,022,174	\$431,958,188	\$443,317,275	+32.6	+2.7
Deposits after notice	692,580,626	789,363,919	806,774,687	+16.4	+2.1
Current loans in Canada	758,342,735	740,040,741	739,938,513	-2.5	-0.1
Current loans elsewhere	44,968,445	62,356,259	66,556,371	+48.1	+6.7
Loans to municipalities	46,020,730	42,385,096	39,882,811	-13.3	-5.9
Call loans in Canada	71,855,565	87,355,648	86,351,216	+20.1	-1.1
Call loans elsewhere	120,607,677	177,121,733	171,380,353	+42.5	-3.2
Circulation	99,610,962	123,530,451	122,656,083	+23.2	-0.81

**T**HE above are the principal items in the statement of the chartered banks made to the government for the month of August. The figures show a substantial increase in demand and after notice deposits during the month. There is also a gain in current loans abroad. Municipal loans decreased during the month by nearly 6 per cent., this being due to economy on the part of municipalities and to sales of their bonds. Call loans abroad were reduced and circulation decreased slightly during August. Compared with the figures of a year ago there were very substantial increases in deposits, circulation, current loans abroad and call loans in Canada and elsewhere.

The following table shows the course of domestic deposit accounts for the past thirteen months:—

	On demand.	After notice.
1915—August	\$334,022,174	\$692,580,626
September	359,315,280	693,339,851
October	392,042,193	701,330,850
November	406,735,171	714,219,286
December	423,690,384	720,990,267
1916—January	387,002,926	714,264,486
February	380,825,667	728,242,609
March	389,165,388	738,169,212
April	402,060,955	748,359,957
May	412,301,481	765,064,041
June	428,117,340	767,598,130
July	431,958,188	789,363,919
August	443,317,275	806,774,687

Demand deposits have increased by more than 32 per cent. during the past year and after notice deposits, 16 per cent. Both these accounts gained substantially during the month. Total deposits at the end of August were \$1,250,000,000, a record amount. In addition, there were \$114,000,000 of deposits outside the country. The September statement will naturally show some reduction in deposits as a result of the war loan.

The deposits record for the past five years for the month of August is given in the following table compiled by *The Monetary Times*:—

August.	On demand.	After notice.	Total.
1912	\$360,575,425	\$643,663,596	\$1,004,239,021
1913	358,321,925	619,032,847	977,354,772
1914	338,984,418	659,399,151	998,383,569
1915	334,022,174	692,580,626	1,026,602,800
1916	443,317,275	806,774,687	1,250,091,962

For some time past certain amounts of business funds have been transferred from demand to after notice account. This may have resulted to some extent in the increase of the notice deposits. The decision of the banks to reduce the interest they pay on current accounts from 3 to 2½ per cent. will probably result in the transfer of many more accounts to after notice deposits. While this transfer is having its effect on the figures, the fact that the total of the two accounts is expanding month after month, indicates a degree of economy and the accumulation of funds generally.

The following table shows the trend of the Canadian loans account for the past thirteen months:—

Loans.	Current in Canada.	Call in Canada.
1915—August	\$758,342,735	\$71,855,565
September	771,086,757	71,578,886
October	780,785,754	74,574,270
November	777,162,563	83,203,787
December	775,517,947	84,228,155
1916—January	758,500,402	82,584,650
February	760,873,181	81,940,125
March	770,139,526	81,747,512
April	777,764,682	82,527,448
May	763,136,917	84,826,636
June	747,470,541	86,776,474
July	740,040,741	87,355,648
August	739,938,513	86,351,216