

Bank

REAL

\$7,000,000
7,421,292
92,102,072
121,130,558

President
B. EVANS
F. HEBDEN
MOS. AHEARN
-Col. J. R. MOODIE
Chief Inspector

TRANSACTIONED
IN CANADA
the Pacific
BRANCHES

Interest rates

WALL ST.

BANK

Toronto

\$7,000,000
\$7,000,000

E. HAY,
General Manager

Municipal
High Class
Thought and

Finance Invited

RESS

GER, BOND
T, TORONTO.

THE BANKS' MUNICIPAL LOANS.

Statistics of the banks' loans to cities, towns, municipalities and school districts have now been available for comparison over a period of four years—since July, 1913. During the pre-war period, the general tendency of these loans, which were first reported as \$43,121,384, was downward, a minimum of \$29,301,620 being recorded for January, 1914, and at the end of the following July, they were still nearly seven millions lower than they were a year previously. With the outbreak of war and the consequent cutting off of the civic authorities from their customary supplies of capital, these loans rapidly advanced, the highest level recorded being reached in October, 1914, with \$47,316,076. All through 1915 and 1916 these loans were maintained at a fairly high level, except for the seasonal drop at the end of each year. By the beginning of the present year, however, accumulated results of restriction of spending and of eighteen months' disposal of municipal securities in the United States began to show, and until the end of March last, these loans were reported at exceptionally low figures, the minimum of the four years, \$24,056,797 being reported for December, 1916. With the fresh closing of the American market to the municipalities, however, these loans again showed a steady increase, their growth between March and June being practically \$13,000,000 to \$42,757,673.

The following table shows the course of these loans during the last two years:—

June, 1917	\$42,757,673
May	39,790,191
April	35,931,996
March	29,877,911
February	26,121,324
January	24,487,273
December, 1916	24,056,797
November	32,945,963
October	37,613,530
September	38,708,745
August	39,882,811
July	42,385,096
June	46,773,032
May	43,924,036
April	44,371,050
March	38,649,462
February	35,149,915
January	32,015,371
December, 1915	30,878,028
November	41,064,550
October	45,682,230
September	43,928,331
August	46,020,730
July	44,029,446

GRADUAL INCREASE PROBABLE.

Presumably, the greater part of the recent rise in these loans is due to the necessities on revenue account of hard-up civic authorities, but there are cases also, where it is still necessary to proceed with uncompleted programmes of expenditures on capital account. But in view of the banks' other commitments—their obligations in connection with the forthcoming crop movement as well as with war financing—the lending institutions generally are doubtless intent to keep these municipal borrowings as low as possible. At the same time, with the United States market closed indefinitely to municipal issues, there is bound to be a greater reliance by these borrowers upon the banks, and a

gradual increase in the amount of these loans.

The subjoined table shows the details of the banks' municipal loans as at June 30 last and a year previously:—

	June 30, 1917.	June 30, 1916.
Montreal	\$13,367,150	\$12,535,204
Quebec		133,258
Nova Scotia	826,436	942,881
British	2,432,538	2,381,677
Toronto	925,729	4,011,261
Molsons	874,684	2,004,782
Nationale	244,928	212,113
Merchants	1,426,199	954,938
Provinciale	319,293	288,987
Union	2,162,104	2,100,822
Commerce	4,496,305	4,132,844
Royal	3,338,661	3,025,526
Dominion	316,916	296,774
Hamilton	2,072,593	2,041,081
Standard	933,446	995,736
Hochelega	1,399,229	1,246,216
Ottawa	2,121,854	1,762,021
Imperial	4,898,215	7,232,592
Home	179,865	128,472
Northern Crown	223,920	203,924
Sterling	116,875	103,845
Weyburn	80,733	38,078
	\$42,757,673	\$46,773,032

Among the notable changes of the last twelve months shown in this table may be noted the growth of something over \$800,000 in the municipal loans of the Bank of Montreal, a decline of over \$3,000,000 in those of the Bank of Toronto, and of over \$2,300,000 in those of the Imperial Bank.

During 1916 Mutual Life of Canada agents secured 1,300 policies from old policyholders.

ESTABLISHED 1873.

The

Standard Bank

of CANADA

Head Office, TORONTO



Collections.

Business houses will find our facilities for making collections particularly favorable.



Montreal Branch: 136 ST. JAMES STREET
E. C. GREEN, Manager.