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R. WILSON-SMITH, *Proprietor.*

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UNITED STATES BANKING DEVELOPMENT AS COMPARED WITH THAT OF CANADA.

Taking the last two reports of national banks in the United States there is shown a remarkable decrease of \$174,000,000 in individual deposits, between the 12th November, 1906, and 26th January, 1907. On the other hand loans and discounts increased about \$97,000,000. Compared with a year before, the individual deposits show the slight gain of \$27,000,000, while loans and discounts increased \$392,000,000. The consequence is that whereas at the beginning of 1906 individual deposits exceeded loans by a narrow margin—some \$17,000,000—now the loans exceed deposits by \$348,000,000. The bank position in Canada compares with this as follows: deposits increased from 31st October, 1906, to 31st January, 1907, \$13,000,000; loans and discounts in the same period decreased \$10,000,000. For this comparison our call and current loans have been all taken in, because in the American statement they are all included under the heading "loans and discounts." Comparing with a year ago our Canadian bank deposits are up \$75,000,000, while loans and discounts increased \$83,000,000. At the end of January, 1906, Canadian bank deposits were \$33,000,000 less than the loans and discounts; now they are \$41,000,000 less.

The pressure for mercantile and other discounts has been great in both countries. The above figures show that in respect to preserving the equality of loans and deposits the banks here have done better than the American national banks. There is no way of apportioning to the several parts of the Dominion the share each one has had in bringing about the changes shown. In a general way it is known the West is responsible for important loan-increases, as are also the big manufacturing and commercial centres of the East. Then there has been a large amount withdrawn in order to take advantage of the bargains in the stock market. The increase in deposits is known

to be steadily going on in the older provinces, and gains have also been made in the West through the influx of foreign capital accompanying the immigration movement. In the reports issued by the United States comptroller the bank figures are grouped in sections. What is more, the figures show the banking developments of the several sections with reasonable accuracy, for the banks are single office banks and the business of each one is pretty much confined to its own locality or district. It will be interesting then to compare the positions of the various sections, as regards these principal items, as at 12th November, 1906, and 26th January, 1907.

INDIVIDUAL DEPOSITS.

	12th Nov., '06.	26th Jan., '07.
New England	\$ 394,019,985	\$ 372,030,916
Eastern	1,701,237,975	1,512,473,392
Southern	469,113,254	492,670,392
Mid-Western	1,135,288,189	1,135,753,921
Western	324,873,049	333,303,259
Pacific	263,998,044	268,183,299
Island possessions	1,243,399	1,235,112
	<u>\$4,289,773,899</u>	<u>\$4,115,650,294</u>

The decrease is wholly in the Eastern part of the country; all sections except the New England and Eastern holding their ground or scoring slight gains. In the New England States the City of Boston accounted for \$15,000,000 of the decrease; and all the States except Rhode Island and Connecticut show small decreases. In the Eastern section New York city showed a decrease of \$171,000,000; Philadelphia decreased \$17,000,000; Baltimore, \$4,000,000; the cities thus accounting for the whole decrease. In the Middle Western it is significant, too, that the City of Chicago showed a decrease of \$11,000,000. Increases elsewhere, however, offset this decrease. The other groups show no very striking changes.

Next, consider loans and discounts.

LOANS AND DISCOUNTS.

	12 Nov., '06.	26 Jan., '07.
Loans and Discounts	\$ 436,834,445	\$ 432,734,793
New England	1,708,623,974	1,763,701,853
Eastern	490,238,352	500,354,824
Southern	1,230,997,829	1,254,918,508
Mid-Western	272,642,987	277,050,578
Western	225,731,609	233,406,221
Pacific	976,097	1,100,848
Island Possessions		
	<u>\$4,366,045,295</u>	<u>\$4,463,267,629</u>

Only one group, the New England, shows a decrease, and the City of Boston accounts for it all. And New York City accounts for \$54,000,000 of the \$55,000,000 increase shown by the Eastern group. The others all show moderate increases. Taking a comprehensive view over the whole of the Union it appears that, in the two and a half months, no great changes occurred except in the