

NOVEMBER 1871.

Bryce, McMurrich & Co.,

Have received

LARGE ADDITIONS

to their stock, ex steamers recently arrived at Montreal, from

LONDON, LIVERPOOL and GLASGOW,

and all departments being again

FULLY ASSORTED

they will be glad to be favored with orders which will have their best and prompt attention.
There are MANY LINES in our stock which we continue to offer at prices

VERY CONSIDERABLY UNDER

their present value. We refer especially to

WOOLLEN AND LINEN GOODS,

which have already

MUCH ADVANCED

in value in the Home Markets, and must still be much higher, on account of the great advance in the price of the raw material, and also in labor.

BRYCE, McMURRICH & CO.

34 Yonge Street, Toronto.

**THE MONETARY TIMES,
AND TRADE REVIEW.**

TORONTO. CAN., FRIDAY, DEC. 1, 1871

**BANKING AND COMMERCIAL
REVIEW.**

The stringency in the money market for some few months past has lessened since the proceeds of the harvest have begun to flow in. Bank and other stocks have risen as buyers have increased by the tempting prices prevailing recently, and the pressure become less severe upon speculative holders. For legitimate business there are ample funds at what we may term the usual rate of 7 per cent., but for loans to carry stocks considerably higher rates are asked and paid. The rate for mortgages is not generally lower, but there is however a competition for this form of security which though not effecting a reduction of interest is giving to borrowers another and very questionable advantage, that of obtaining larger advances in proportion to the value of property than has been hitherto considered prudent. The facility with which loans are procured by farmers' putting their lands "in pawn," has led to many overdue mortgages being paid off by borrowing larger amounts to cover principal and arrears of interest. We cannot but look on this as a most unfortunate effect of the enlarged resources brought by a productive harvest. The strain of payments of interest to the mass of farmers is very great, so that they find extreme difficulty in storing up year by year a fund to release the encumbrance.

There is little hope to many of securing their property free, and to sell is their only resource when the terms of the mortgage are enforced. To increase this strain by obtaining a larger loan is almost suicidal, and will render parting with their land only the more inevitable though postponed. We would strongly urge upon all mortgagors the desirability of paying off by instalments. The effort will involve sacrifices for the first year or two which will be richly compensated by the gradual easing of the strain for interest, and the increased pleasure and satisfaction with proportionate increase of energy which will inevitably be the result of this policy.

The operations in our stock market have excited the attention of financiers in the Western States, and they appear to have drawn this conclusion from recent movements, that our capitalists have "more money than wit." It is stated that "an association has been formed in Montreal for the express purpose of enabling capitalists to invest in Western States municipal bonds and other American securities." It has always a look of suspicion when borrowers go far from home to obtain loans, if there are ample means in their own district to meet all legitimate needs. Those who wish financial help generally go, if their purpose is honorable, where they are best known. A prudent lender prefers dealing with securities respecting which he has ample information, and the nature of which he has the means personally of investigating. Though the Western States are prosperous, we do not see that "mortgages on the whole real estate of a Western town given to raise funds for building local school-houses, bridges, &c.," can be so thoroughly appraised as is desirable by Canadian investors. It is stated that these bonds can be bought to pay 9½ per cent. The price is good, but as we have home institutions paying equally well, with security at any rate equally sound and perfectly open to investigation and supervision, we would suggest that they are decidedly preferable to the bonds of a distant municipality in a foreign country respecting which the Canadian investor cannot have any sound information, and has no personal opportunities of watching or controlling. We happen to know that cautious Western investors do not much like these securities. Very heavy brokerages are offered to agents to get them off in Western cities, and their systematic efforts to place them in the Canadian market we consider by no means complimentary to our financial shrewdness and prudence. With the utmost desire to be on good terms with our Western neighbours, we do not see that they have any

fair claim upon this country for money to build schools and bridges, and there is this consideration in the background that such securities are of all others, the most difficult to realize, if legal process is necessary.

OFFICIAL RETURN FOR BANKS OF ONTARIO AND QUEBEC.

	31st Oct., 1871.	
Capital Authorized.....	\$49,566,666	
" Paid up.....	37,706,480	
" Subscribed.....	40,017,516	
LIABILITIES.		
	Oct. 31, 1871.	Sept. 30, 1871.
Circulation.....	\$24,209,060	\$21,210,000
Gov. Deposits on demand.....	2,652,700	3,448,710
Other do. do. ..	27,947,770	35,039,472
Gov. Deposits on notice.....	6,084,860	5,945,667
Other do. do. ..	18,595,100	19,322,498
Due to Banks in Canada.....	1,174,440	950,488
Due do. not in Can.,	1,568,000	3,044,424
Other liabilities.....	9,400	40,316
Total liabilities....	\$82,241,330	\$79,001,575
ASSETS.		
	Oct. 31, 1871.	Sept. 30, 1871.
Specie.....	\$6,540,950	\$5,871,668
Provincial Notes....	5,668,480	5,223,889
Notes and Cheques of other Banks.....	3,325,900	3,271,079
Due from other banks in Canada.....	2,124,050	1,801,604
do. not in Canada....	14,504,220	12,674,289
Govt. Stock.....	1,496,270	1,559,537
Loans to Govt.....	1,219,890	1,219,891
do. to Corporations..	1,943,428	1,194,844
Notes dis. current....	85,592,813	85,480,166
do. over due not sec'd	1,049,840	1,023,346
do. do. secured..	972,200	1,008,026
Real Estate.....	797,720	791,830
Bank premises.....	1,704,040	1,689,639
Other assets.....	2,224,960	2,232,113
	\$129,165,261	\$125,041,951
TOTAL CIRCULATION.		
	Oct. 31, 1871.	Sept. 30, 1871.
Bank issues.....	\$24,209,000	\$21,210,000
Provincial notes.....	8,800,000	8,300,000
	\$33,009,000	\$29,510,000

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Provincial notes.....	8,800,000	8,300,000
	\$33,009,000	\$29,510,000

The steady increase of the circulation since June, when it amounted to \$16,800,000, up to October when it reached \$24,210,000, indicates an unprecedented activity in banking operations, and will tell favorably upon their next balance sheets. This expansion follows in the usual order of things, as may be seen by noticing the returns for a series of years, but up to this year the rate of increase has been from two to four millions, last year being the first time so large an increase took place. In 1870 the figures stood for June \$14,000,000, and for October \$18,000,000, but this year, though three millions in excess of 1870, at the turn of the season, midsummer, the rate of increase has been more and more, month by month, until, as we have recorded above, the public took from the banks no less than seven and a half millions of notes, and including Government paper, nine millions additional in four months.

It is said of certain edibles that "the ap-