

DECEMBER BANK STATEMENT.

	Dec., 1909.	Nov., 1910.	Dec., 1910.	Year's Inc. or dec.	Month's In. or de.
Deposits on demand	\$261,268,387	\$289,756,025	\$280,910,695	+ 7.5	— 3.05
Deposits after notice	499,082,024	551,113,835	544,220,710	+ 9.04	— 1.2
Current loans in Canada	592,741,812	677,617,478	677,064,829	+ 14.2	— 0.08
Current loans elsewhere	40,072,793	42,396,585	40,400,839	+ 0.8	— 4.7
Call loans in Canada	63,554,222	62,866,513	63,983,912	+ 0.6	+ 1.7
Call loans elsewhere	138,505,379	96,404,136	90,710,437	— 34.5	— 5.9
Circulation	81,325,732	90,165,730	87,694,840	+ 7.8	— 2.7

The above are the principal items in the December bank statement. Only one account, call loans in Canada, shows an increase over the previous month. It is a gain of about \$1,000,000 or 1.7 per cent. The decreases are not serious and are customary at this period of the year. The largest decline is in call loans out of Canada in which column the Dominion's commercial community most welcomes a decrease. This item lost approximately \$6,000,000 or 5.9 per cent. Deposits for the first time for many months show a decline, one of 3.05 in demand deposits and 1.2 in those after notice. On the other hand, the December bank statement exhibits most satisfactory increases over the figures of the previous December, with the exception again of call loans elsewhere than in Canada. That account has dropped in the twelve months by about \$42,000,000, or 34.5 per cent. The following table shows the course of the deposits accounts:—

	On demand.	After notice.
1909—December	\$261,268,387	\$499,082,024
1910—January	238,423,785	508,207,804
February	236,697,987	507,307,733
March	247,562,171	515,272,117
April	246,746,180	521,427,072
May	256,651,635	524,680,979
June	263,417,539	534,432,054
July	251,638,522	538,384,371
August	256,613,172	545,357,452
September	273,529,461	545,630,667
October	280,838,612	549,016,725
November	280,759,025	551,113,835
December	280,910,695	544,220,710

During the past twelve months five declines occurred in deposits on demand and only two in those after notice. Once in the same period did the demand deposits exceed the December figures and four times the December deposits after notice were bettered. The following table shows the gratifying growth in total deposits during the past five years:—

December	On demand.	After notice.	Total.
1906	\$192,143,482	\$398,765,182	\$580,908,664
1907	157,185,414	402,626,076	559,811,490
1908	210,180,147	429,719,218	639,899,365
1909	261,268,387	499,082,024	760,350,411
1910	280,910,695	544,220,710	825,131,405

A steady growth is evident in the deposits after notice, although a decrease in demand and total deposits occurred in 1907. From practically \$581,000,000 in 1906 the total deposits of the Canadian chartered banks have risen to \$825,000,000. This item has been one of the strongest during recent years in the bank statement. The decrease of the December from the November figures is probably due to the usual holiday withdrawals and year end payments of various character. That credit was curtailed only slightly is shown in the following table:—

	Current in Canada.	Call in Canada.
Loans.		
1909—December	\$592,741,812	\$63,554,222
1910—January	590,984,344	63,945,539
February	602,454,539	61,855,519
March	624,550,051	59,945,735
April	638,247,238	59,621,328
May	643,246,518	58,159,050
June	649,145,920	61,598,958
July	653,008,336	60,081,256
August	657,813,770	60,427,996
September	668,076,522	62,428,576
October	679,820,030	64,561,641
November	677,617,478	62,866,513
December	677,064,829	63,983,912

Tight money has been complained of during the past two weeks especially in Montreal and this can scarcely be ascribed to a lack of banking facilities. Call loans in Canada last month was the only item which showed a decrease over November. Both call and current credits have maintained a fair average during the past thirteen months. A better idea of domestic credit extension may be gathered from the following table:—

	Dec., '07.
Loans.	
Current in Canada	\$556,588,451
Current elsewhere	22,928,188
Call in Canada	44,501,112
Call elsewhere	43,509,220

Three years ago current loans in the Dominion totalled \$556,000,000 and last December had increased to \$677,000,000. This account, too, shows an increase of \$9,000,000, or 7.5 per cent. during only the past twelve months. Domestic call loans have also made strides, from \$44,000,000 in 1907 to \$64,000,000 in 1910. The above figures show a remarkable decline during the past year in call loans out of Canada, chiefly in London and New York.

Unexpectedly, figures of the Farmers Bank do not appear in the statement. It was probably thought by Curator Clarkson that many of the figures under his examination were too doubtful to be reported in a bank statement to the government and the Department of Finance was informed accordingly.

The liquidation of the Sovereign Bank is proceeding slowly, as the following figures respecting that defunct institution show:—

Capital authorized, \$3,000,000; capital subscribed, \$3,000,000; capital paid up, \$3,000,000; notes in circulation, \$42,135; deposits on demand, \$22,567; deposits after notice, \$175,443; loans from other banks in Canada secured, including bills rediscounted, \$3,923,434; liabilities not included under foregoing heads, \$135,220; total liabilities, \$4,298,801; greatest amount of notes in circulation at any time during the month, \$43,000; specie, \$12; Dominion notes, \$7; deposits with Dominion Government for security of note circulation, \$43,825; notes of and cheques on other banks, \$5,209; deposits made with and balances due from other banks in Canada, \$92,706; Canadian municipal securities and British, or foreign or colonial public securities (other than Canadian), \$218; railway and other bonds, debentures and stock, \$484,714; call and short loans in Canada, \$82,271; current loans in Canada, \$820,785; overdue debts, \$3,939,650; real estate, other than bank premises, \$90,941; bank premises, \$1,598; other assets not included under foregoing heads, \$288,812; total assets, \$5,850,753; aggregate amount of loans to directors, and firms of which they are partners, \$23,740; average amount of specie held during month, \$7; average amount of Dominion notes held during month, \$21.

Notes in circulation of the Sovereign Bank have been reduced to \$42,000. The total liabilities are \$4,298,801. The greatest amount of notes in circulation at any time during December was \$43,000. Only \$218 worth of Canadian municipal and other securities are held, although railway and other bonds, debentures and stock are still held by the Sovereign Bank to the amount of \$484,714. Overdue debts figure at \$3,939,650. To this item the Alaska Central Railway probably contributes most. Loans to directors figure at \$23,740.

A further change will probably appear in the January bank statement, when the Weyburn Security Bank will make its first return to the government.

DOMINION BANK.

A good financial statement was presented to the shareholders of the Dominion Bank at the annual meeting on Wednesday. The net profits for the year ended December 31st show a substantial increase, those for the past year being \$659,300, against \$620,927 in 1909. These are earnings at the rate of 16½ per cent. on paid-up capital, an increase of 1 per cent. over the previous year. Adding the profits to \$295,766, the balance of profit and loss account carried forward from the previous year, a sum of \$955,067 was available for distribution. Four quarterly dividends at the rate of 12 per cent. per annum absorbed \$480,000 of that amount, and with \$170,000 written off the bank premises the directors are able to carry forward to profit and loss account the sum of \$305,067. The deposits which now total \$49,300,000 increased during the past year by nearly \$4,000,000. The cash assets of the bank amount to \$11,000,000. The immediately available assets total \$22,000,000 or 41½ per cent. of total liabilities to the public. The total assets of the bank at the end of the past year amounted to \$62,677,000.

Dec., '08.	Dec., '09.	Dec., '10.
\$511,808,909	\$592,741,812	\$677,064,829
30,351,721	40,072,793	40,400,839
43,827,771	63,554,222	63,983,912
97,136,400	138,505,379	90,710,437