

THE NOVEMBER BANK STATEMENT.

Notable Increase in Banks' Cash Holdings—Twelve Months' Increase in Paid-up Capital, \$7,300,000—Ten Banks with Excess Circulation out at End of Month.

One of the interesting things of the November bank statement is its reflection of recent heavy gold imports into the Dominion from New York. It will be seen from our statistical analysis of the statement that there was a notable increase last month in the banks' cash holdings. Specie at November 30, reached \$39,032,004, a gain of \$1,744,494 upon October 31, and of \$5,403,993 upon the figures of a year ago; and Dominion notes were \$99,300,852 against \$86,015,960 at October 31, a gain of \$13,284,892, and \$76,070,214 on November 30, 1910, a gain of \$22,330,638. No doubt, the banks will be desirous, in these days of expanding business, of extending the basis of the structure of credit. It is this substantial gain in cash which puts the reserve of the banks to immediate liabilities in a considerably better proportion than in October, despite a drop in net foreign bank balances and in the foreign call loans. The proportion at the end of November is 25.02 p.c. against 24.30 in October, the low water mark reached from the relatively high ratios of the summer.

THE INCREASE IN PAID-UP CAPITAL.

The capital account is beginning to show markedly the effects of the series of new capital issues now being made by a number of the banks. In comparison with November, 1910, capital paid up shows a gain of \$7,332,081, while in the prior twelve months the gain was under \$2,100,000. Eliminating the figures of the Sovereign Bank, the banks' paid-up

capital as at November 30 last, was \$104,472,558. The subscribed capital at the same date, it may be noted, was \$117,873,916, nearly nine millions of the difference between subscribed capital and paid-up capital being accounted for by the figures of the Banque Internationale. The authorised capital at the same date was \$169,866,666. The issues still in course of being paid up and the further issues which have been quite lately announced ensure a substantial addition to the amount of the banks' paid-up capital during the next twelve months. It is interesting, as showing the general tendency of the reserves of the banks to overhaul their paid-up capital to note that at November 30, reserves at \$95,609,232 were 91.60 per cent. of paid-up capital, while twelve months previously at \$83,164,948 they were 85.61 per cent. of paid-up capital. Three of the new banks have not yet started reserve funds, but the enormous proportion of reserve funds to paid-up capital carried by some of the older banks, make the proportion for the whole of the banks a high one. The same three banks which have no reserve funds do not yet pay dividends.

EXCESS CURRENCY FIGURES.

The general figures of the statements show a continuance of the expansion of business last month. Circulation in the course of November reached a new high maximum of \$111,943,500, but was reduced by almost exactly ten millions to \$101,943,056 by November 30. At the latter date, however, ten of them, the Home, did not issue excess currency in of them, the Home, did not issue excess currency in October, though the remaining nine did. The list is overleaf:—

COMPARATIVE STATEMENT OF RELATION OF BANKS' RESERVES TO IMMEDIATE LIABILITIES
(Compiled by The Chronicle.)

	November, 1911	October, 1911	November, 1910	November, 1909
LIABILITIES.				
Dominion Government deposits.....	\$ 9,705,647	\$ 9,512,657	\$ 7,639,507	\$ 5,934,579
Provincial Government deposits.....	25,657,904	25,626,270	25,780,949	24,137,457
Deposits of the Public "demand".....	341,712,265	331,953,562	289,759,025	264,285,803
Deposits of the Public "notice".....	588,942,142	586,451,045	551,113,835	493,253,823
Deposits elsewhere than in Canada.....	73,264,439	73,482,197	69,561,539	71,835,563
Total deposits.....	1,039,282,397	1,027,025,731	943,254,855	858,147,245
Note Circulation.....	101,943,056	105,855,021	99,165,730	86,390,876
	1,141,225,453	1,132,880,752	1,033,420,585	944,538,121
*Less notes and cheques other Canadian banks held.....	57,912,119	68,382,456	46,935,919	43,608,732
Net Liability.....	1,083,313,334	1,064,498,296	986,484,666	901,229,389
AVAILABLE ASSETS.				
Specie and legals.....	138,332,856	123,303,470	110,598,225	103,308,457
Net foreign bank balances.....	45,203,639	46,642,003	45,279,494	37,504,626
Foreign call loans.....	87,489,665	88,722,640	96,404,136	134,836,591
	271,026,160	258,668,113	252,241,855	275,649,674
Percentage of Liability.....	25.02	24.30	25.57	30.58

*This item is deducted because it represents obligations of the banks held by themselves.