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Bank Statement Shows Heavy Commercial Loans

CURRENT Loans in Canada Increased \$29,000,000 in March
and \$37,000,000 in April—Savings Deposits were Less,
Due to War Loan Payment—Course of Call Loans Abroad.

	April, 1916.	March, 1917.	April, 1917.	Year's inc or dec.	Month's inc. or dec.
Deposits on demand	\$402,060,955	\$448,151,528	\$471,312,285	+ 17.1	+ 5.1
Deposits after notice	748,359,957	888,765,698	874,948,724	+ 16.7	— 1.5
Current loans in Canada	777,764,682	843,054,466	880,523,897	+ 13.2	+ 4.3
Current loans elsewhere	57,008,965	83,551,225	86,058,220	+ 50.8	+ 2.9
Loans to municipalities	44,371,050	29,877,911	35,931,996	— 18.9	+ 20.4
Call loans in Canada	82,527,448	76,478,708	82,737,417	+ 0.25	+ 8.2
Call loans elsewhere	147,146,443	161,616,735	159,156,054	+ 8.1	— 1.2
Circulation	119,233,330	148,265,140	145,550,619	+ 21.8	— 2.02

THE above are the changes during April in the principal accounts of the chartered banks. Current loans were considerably greater than a year ago and showed an increase of \$37,000,000 last month. Demand deposits were substantially increased during April, savings deposits being decreased partly on account of the second instalment of the war loan. Call loans in Canada were increased in connection with war loan financing. Call loans abroad were slightly smaller in April and municipal loans larger.

The trend of the Canadian loans account for the past thirteen months is shown in the following table:—

Loans.	Current in Canada.	Call in Canada.
1916—April	\$777,764,682	\$82,527,448
May	763,136,917	84,826,636
June	747,470,541	86,776,474
July	740,040,741	87,355,648
August	739,938,513	86,351,216
September	752,545,756	88,145,851
October	774,928,222	90,412,023
November	813,791,947	89,395,370
December	820,378,557	82,569,983
1917—January	806,479,147	79,737,064
February	813,302,717	78,686,535
March	843,054,466	76,478,708
April	880,523,897	82,737,417

Current loans in Canada, an account reflecting the volume and activity of general business, were increased by \$29,000,000 in March and again by \$37,000,000 in April. These loans are \$103,000,000 or more than 13 per cent. greater than a year ago. During the month they increased 4.3 per cent. The increase of \$67,000,000 in March and April brings total current loans in this country to \$880,000,000. This is approximately \$45,000,000 higher than the total for April, 1914, three months before the war commenced. The higher prices of commodities is an important factor in the increase of commercial loans. Many bank customers are finding it necessary to ask for

larger credits to do business which in volume is little greater than a year ago. Allowing for that fact, however, the current loans account reflects active business conditions. A number of companies have larger financial resources and are less dependent upon bank loans. This factor counterbalances to some extent the higher commodity prices as they are related to the volume of commercial loans.

The following table shows the course of the principal loan accounts during recent years:—

	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1913	\$898,964,181	\$36,310,933	\$69,757,912	\$103,212,185
1914	835,705,064	54,362,513	68,523,774	139,937,027
1915	762,931,851	37,705,039	68,599,095	121,522,971
1916	777,764,682	57,008,965	82,527,448	147,146,443
1917	880,523,897	86,058,220	82,737,417	159,156,054

Current loans in Canada in April last were only \$19,000,000 less than in April, 1913. Current loans abroad were considerably higher than in any April of the past five. Call loans in Canada were about the same as a year ago, and call loans abroad show a tendency to increase. The course of call loans abroad for the period beginning two months before the declaration of war is of interest and is shown in the following table, compiled by *The Monetary Times*:—

	1914.	1915.	1916.	1917.
January	\$ 85,796,641	\$134,248,552	\$155,747,476	
February	89,890,982	139,138,651	162,344,556	
March	101,938,685	141,889,989	161,616,735	
April	121,522,971	147,146,443	159,156,054	
May	136,098,835	163,406,659		
June	\$137,120,167	124,604,875	182,757,015	
July	125,545,287	117,821,174	177,121,733	
August	96,495,473	120,607,677	171,380,353	
September	80,521,859	135,108,412	173,877,586	
October	81,201,671	120,681,624	189,346,216	
November	74,459,643	135,530,562	183,250,389	
December	85,012,964	137,157,869	173,878,134	