

mum on the present downward swing in August was less than four per cent. in comparison with the total of these deposits for August, 1912. In view of the large drafts which have had no doubt to be made upon these balances by those whose obligations have compelled them to finance undertakings and operations as best they might out of their own funds when under easier circumstances they would have naturally financed them upon borrowed money, and considering also the additional fact that the present low prices of interest-bearing securities have tempted a considerable number of people to withdraw their balances for the purpose of investment holdings, this showing is not entirely unsatisfactory. The bank's balances in this connection have been constantly fed by capital from abroad, which is always coming to us, through channels over which underwriters who boycott—or pro-

pose to boycott—new issues have no control, and it may reasonably be assumed that the proceeds of the bountiful harvest which has lately been gathered will in the near future go to swell the total of notice deposits.

A CHECK TO THE DOWNWARD SWING.

In any case it would seem that a check has been given to the downward swing in the banks' deposits. From the table on another page it will be seen that from September, 1912, to April, 1913, the ratio of increase in the total of deposits was steadily decreasing. In May there was an actual loss, and this loss continued to increase until July, when a loss ratio of 3.42 was reached. Since then there has been a distinct improvement in the loss ratio which was only 2.75 per cent. in August and 1.17 per cent. in September. Whether the improvement will be continued remains to be seen.

GREAT BRITAIN'S FOREIGN INVESTMENTS.

A Steady Growth over a Long Period with a Pronounced Stimulus in Recent Years—British Trade Heavily Increased by these Investments.

The London *Financier* has prepared from the returns of the British Commissioners of Internal Revenue the following summary of Britain's foreign investments:—

Year—	India Gov't stocks, loans and guar- anteed rys.	Colonial or foreign Gov't securities.
1886-87.	£7,793,097	£16,243,321
1902-03.	9,048,777	19,935,643
1903-04.	8,695,929	20,263,072
1904-05.	8,760,185	20,880,837
1905-06.	8,862,807	22,069,260
1906-07.	8,768,287	22,270,846
1907-08.	8,925,692	23,414,624
1908-09.	9,037,209	23,204,471
1909-10.	9,455,519	24,618,988
1910-11.	9,654,846	25,073,446
1911-12.	9,753,113	25,296,700
Year—	Colonial or foreign securities other than Gov't.	Total.
1886-87.	£20,471,584	£44,508,002
1902-03.	34,844,295	63,828,715
1903-04.	36,906,305	65,865,306
1904-05.	36,421,087	66,062,169
1905-06.	42,967,198	73,899,265
1906-07.	48,521,033	79,560,116
1907-08.	*52,775,930	*85,116,246
1908-09.	56,595,713	88,837,393
1909-10.	59,189,497	93,264,004
1910-11.	66,224,431	100,952,723
1911-12.	68,844,854	103,894,667

*Estimates for the full year. †Owing to the delay in passing the finance bill for 1909-10, the figures are lower for 1909-10 and higher for 1910-11 than they would have been under normal conditions.

INVESTMENTS HAVE STIMULATED FOREIGN TRADE.

Reviewing the statement, the *Financier* says: "The data are exceedingly interesting, for they go to show that in the past 25 years there has been an enormous growth in the income received from British investments in the colonies and in foreign countries, while at the same time the revenue derived from British Government securities has shown an actual shrinkage

in the same series of years. Bearing in mind the fact that the quarter century covered has been a period of steady expansion in the foreign trade of these islands, it is, we think, a fair assumption that the growth of our overseas trade has been immensely stimulated by the great volume of British capital employed in foreign countries, whose development has thereby been accelerated, and who have consequently become better customers to the British manufacturer and merchant. The investment of capital abroad has notoriously received a pronounced stimulus during recent years, owing to the decline in the popularity of British Government stocks, home railways, breweries and other securities, which, for a variety of reasons, have ceased to make their former appeal to the capitalist. A still more potent factor has been the creation of a large and steadily-growing mass of colonial and foreign securities bearing higher rates of interest than those to which the British investor had previously been accustomed."

BANK OF MONTREAL'S BONUS.

With the regular dividend of 2½ per cent. for the fourth quarter of the year, payable December 1st to stockholders of record November 15th, the Bank of Montreal has declared a bonus of 1 per cent., the second extra distribution for the year, and bringing the total return to shareholders for the twelve months up to 12 per cent.

Half-yearly bonus distributions were inaugurated by the Bank of Montreal with the first half of 1911-12, and have been continued since, the one to be paid December 1st, being the fourth of the series. The fact that the Bank of Montreal, the Canadian Bank of Commerce and the Bank of Toronto are continuing their bonus distributions as usual at the present time is a satisfactory indication of the views regarding the immediate future held by the heads of these banks.

The Catholic General Insurance Association is the name of a new insurance company which has been formed under Roman Catholic auspices in Great Britain.