

JUNE BANK STATEMENT ENCOURAGING

Total Deposits have come back to the Billion Dollar Mark—Loans to Municipalities have Increased a little and Foreign Call Loans Heavily.

	June, 1913.	May, 1914.	June, 1914.	Year's inc. or dec.	Month's inc. or dec.
Deposits on demand	\$362,769,928	\$340,748,488	\$355,006,229	— 2.2	+ 4.4
Deposits after notice	622,928,963	663,945,753	663,650,230	+ 6.4	— 0.04
*Current loans in Canada	899,260,009	872,152,263	875,536,999	— 2.7	+ 0.3
Loans to municipalities		33,689,577	37,260,571		+12.1
Current loans elsewhere	36,894,681	51,812,875	46,186,854	+24.3	— 9.8
Call loans in Canada	68,642,377	67,210,504	67,401,484	— 1.4	+ 0.3
Call loans elsewhere	89,363,520	129,897,328	137,120,167	+53.9	+ 5.3
Circulation	105,697,629	97,760,921	99,138,029	— 7.6	+ 2.06

*Including loans to municipalities.

The above are the principal changes in the accounts of the chartered banks of Canada during the month of June, together with the changes that have occurred in the twelve months period since June, 1913. Taken as a whole, the June bank statement is a document which should inject a little faith and confidence into the Canadian situation—and that has been sadly lacking in some quarters during the past few weeks. The bank statement is a reliable guide to the soundness of things in general and the June document reveals the fact that the banking position is strong and better than that of last month, while it also shows that the bankers have matters well in hand, being prepared also for the financing of the crop movement and for autumn trade generally.

Demand deposits have increased by more than 4 per cent. during the month and after notice deposits, those oft-mentioned savings of the people, have declined only \$300,000, or in percentage figures, 0.04. This is gratifying and would seem to indicate that the people are not drawing upon their savings to keep up mortgage and similar payments and to make both ends meet in these times of trade and financial depression. The total deposits, too, for the first time this year, exceed one billion dollars. This record was made last year but a gradual decline in deposits for many months past has kept them below that figure until last June.

Loans to Municipalities.

Current loans in Canada, including municipal loans (for the sake of comparison with the figures of last year), increased about \$3,500,000, practically the whole of the gain going to the municipalities. Commercial credit, therefore, was not extended during June but remained at about the same figure as in May. Call loans in Canada increased slightly, the percentage gain being 0.3, call loans elsewhere than in Canada appreciating approximately \$7,000,000 or 5.3 per cent. Circulation was 2.06 larger in June than in May, but was about \$6,000,000 or 7.6 per cent. less than that this time last year. The crop movement was nearer at hand in that year than apparently it is this year.

The following table shows the trend of the Canadian loans account for the past thirteen months:—

Loans.	Current in Canada.	Call in Canada.
1913—June	\$899,260,009	\$68,642,377
July	901,550,453	67,991,255
August	899,132,894	67,233,983
September	903,717,013	70,047,291
October	900,159,736	71,118,255
November	865,888,832	70,123,101
December	852,906,548	72,862,971
1914—January	840,883,750	71,248,242
February	842,084,073	71,374,602
March	855,781,265	60,088,240
April	865,873,876	68,523,774
May	872,152,263	67,210,504
June	875,536,999	67,401,484

Expansion in Loans.

Current loans in Canada in June were greater, at \$875,152,263, than in any month during the past eight, the figures in October last being \$900,159,736. Last month, however, as stated above, the municipalities obtained the whole of the increase in this item, commercial and business life not

getting any of the gain. The highest point in the current loans account during the past thirteen months, was reached in September when the amount was \$903,717,013. The crop movement affects this account.

As to call loans, they have remained above sixty and under seventy-five million dollars for the past year. Last month they gained about \$200,000 or 0.3 per cent., leaving the account, for all practical purposes, unchanged.

The following table shows the expansion of loans at home and abroad, during the past four years:—

June.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1910	\$649,145,920	\$38,171,443	\$61,598,958	\$130,173,902
1911	717,869,386	33,557,617	61,507,268	97,865,400
1912	849,940,089	34,254,560	68,701,855	120,569,812
1913	899,260,009	36,894,681	68,642,377	89,363,520
1914	875,536,999	46,186,854	67,401,484	137,120,167

Both current and call loans out of Canada increased last month as compared with a year ago, the former gaining nine million dollars and the latter forty-eight million dollars. The heavy Canadian flotations in London during the past month or so may have helped to increase the call loans abroad.

The following table shows the course of domestic deposit accounts for the past thirteen months:—

	On demand.	After notice.
1913—June	\$362,769,928	\$622,928,963
July	356,585,106	621,347,388
August	358,321,925	619,032,847
September	381,737,513	621,249,585
October	389,856,507	621,511,207
November	384,486,046	625,803,150
December	381,375,509	624,692,326
1914—January	339,811,339	635,135,955
February	337,516,595	640,927,130
March	345,590,642	646,143,604
April	350,515,993	653,679,223
May	340,748,488	663,945,753
June	355,006,229	663,650,230

How the Deposits Stand.

Demand deposits were higher in June than in any month during the past six, the figures in December, 1913, being \$381,375,509. The most striking change of the past thirteen months perhaps has been in the after notice deposits. Until May last, they had remained at comparatively low figures, as the above table shows. In that month, they increased from 153 millions to 163 millions. In June, they remained at about that amount. In August last year, these deposits were as low as \$619,000,000.

The deposits record for the past five years for the month of June is given in the following table compiled by *The Monetary Times*:—

June.	On demand.	After notice.	Total.
1910	\$263,417,539	\$534,432,054	\$ 797,849,593
1911	309,804,854	567,867,554	874,672,407
1912	373,500,180	631,317,687	1,004,817,867
1913	362,760,928	622,928,960	985,689,887
1914	355,006,229	663,650,230	1,018,656,459

Both demand and after notice deposits have made fairly consistent gains during the past few years, as the above