BANKS' POSITION MUCH STRENGTHENED.

The ridiculously late date at which the November bank statement has made its appearance greatly detracts from the interest of the returns which it contains. However, they are of a particularly striking character and show that the position of the banks is being greatly strengthened. A sweeping reduction was made in November in the total of current loans, these being reduced by over 34 millions from $900,159,736 at which figure they stood on October 31, to $865,888,832. These loans were thus reduced, of course, as a result of the marketing of western grain, the funds which flowed in from abroad in connection with these operations being used to build up the banks' liquid reserve position. Foreign call loans which form part of this reserve, were expanded by over 29 millions during November, from $93,346,810 to $122,380,863. These are the most striking changes of the month and are of decided interest as indications of a continuance of the process of readjustment in banking credits which has been going on since September and steadily adding to the reserve strength of the banks, which had been somewhat reduced in previous months.

Speculation as to what became of the large imports of gold from New York to Montreal in the closing days of November is answered by the figures now presented. These would indicate that while a small part of the gold went into the new central reserve as security for notes issued in excess of paid-up capital, the greater part was converted into Dominion notes. At the end of the month gold on deposit in the central reserve was only some $750,000 higher than at the and of October. On the other hand, the banks' holdings of Dominion notes increased $13,650,125, while gold and current coin in the vaults of the banks increased $2,230,264. In respect to the cash position, there was thus an improvement of nearly $16,000,000 within the month.

With regard to deposits there was a welcome upward movement in the savings deposits, which increased by over $4,000,000 to $625,803,150, a fact that affords a suggestion that the low point in regard to these deposits has at length been turned.

NEW ISSUES AND THE INVESTOR.

Investors have grown so accustomed of late to see the price of every new issue quoted at a discount after allotment, observes the London *Economist*, that it is becoming the mode for them to send orders to buy the stock after allotment letters are out, rather than to apply for it on the prospectuses. Brokers, of course, are quick to note any change in the financial fashion, and one firm, on the eve of the issue of the Canadian Government prospectus, circularised its clients with the advice that they should refrain from applying for the stock, and invited limits to buy at a discount later. In this particular case the counsel was to a great extent justified by result, because it was announced that the underwriters of the issue had received 83 per cent., upon which the price opened in the market at ½ discount for special settlement. A rush of buying showed that the public had left limits with brokers to take advantage of the possible discount, which ran off to ¼. At this price the discount would not cover the broker's commission and the expenses of the purchase, and the scrip soon dropped back to ½ discount. Although the public, therefore, has only applied for small amounts of the new stock recently offered, it is fairly obvious that there is quite a good market for stock and shares which are cheap, or attractive for any other reason, and a list of prices of recent issues shows that comparatively few of the "failures" stand at more than fractional discounts.

ABSTRACT OF THE BANK STATEMENT FOR NOVEMBER, 1913

(Compiled by the Chronicle).

	November 30, 1913	October 31, 1913	November 30, 1912	Month's change.	Year's change.
LIABILITIES.					
Circulation	$ 119,497,321	$ 118,234,359	$ 115,473,098	+$1,262,962	+ $4,024,223
Demand deposits	384,486,046	389,856,507	376,829,372	— 5,370,461	+ 7,656,674
Notice deposits	625,803,150	621,511,207	635,810,703	+ 4,291,943	— 10,007,553
Foreign deposits	107,323,009	100,892,180	81,338,648	+ 6,430,829	+ 25,984,361
Total liabilities	1,330,526,282	1,328,497,371	1,287,699,051	+ 2,028,911	+ 42,827,231
ASSETS.					
Specie	46,616,806	44,386,542	40,670,854	+ 2,230,264	+ 5,945,952
Dominion Notes	103,761,863	90,111,738	98,990,052	+13,650,125	+ 4,771,811
Deposit in Central Gold Reserve	8,100,000	7,373,977	. . . .	+ 726,023	. . . .
Securities held	107,753,439	106,437,013	101,947,698	+ 1,316,426	+ 5,805,741
Canadian call loans	70,123,101	71,118,255	70,668,521	— 995,154	— 545,420
Foreign call loans	122,380,863	93,346,810	111,812,858	+29,034,053	+ 10,568,005
Canadian current loans	*865,888,832	*900,159,736	*874,721,593	—34,270,904	— 8,832,761
Foreign current loans	55,819,280	58,171,884	40,925,744	— 2,352,604	+ 14,893,536
Loans to municipalities, etc. . .	35,173,817	37,846,369	. . . .	— 2,672,552	. . . .
Total assets	1,572,706,192	1,575,550,980	1,287,699,051	— 2,844,788	+285,007,140

*Inclusive of loans to municipalities, etc.