

THE BANK OF TORONTO.

Enlightening reference to the existing Canadian economic situation was made at the annual meeting of shareholders of the Bank of Toronto in addresses delivered by Messrs. W. G. Gooderham (president), and Thomas F. How (general manager). Mr. Gooderham expressed an optimistic view in regard to the ultimate effects of the recent Victory Loan campaign, which, in his opinion, will have a most beneficial effect both upon individuals and upon the nation, in the giving of an impetus to habits of thrift and saving. Referring to the necessity for increase in the production of foodstuffs, Mr. Gooderham stated that to the extent the banks were able to aid those engaged in farming, they were ready to do so.

Mr. How drew attention to the very large increase in circulation, which, including Government notes, and estimating the population at 7,500,000, is now about \$32 per head as compared with \$23 last year. Some reasons for this large increase, he pointed out, may be found in the higher level of prices, making it necessary for everyone to carry more money to meet daily requirements. The larger volume of trade, as represented in money, also requires additional circulation. Two \$5 bills are now required to pay the producer for five bushels of wheat, whereas previous to the war one \$5 did the same work, and so all along the line. Mr. How also emphasised an aspect of present conditions, which the shallow observer is apt to overlook, that whereas the country is at present enjoying prosperity, it is, nevertheless, a time for more than usual caution:—"Manufacturers, merchants and farmers have been carrying on business on a rising market for their products. This condition has assisted profits for the time being, but as the war is prolonged, difficulties will increase. Already there is a scarcity of labor—at least labor of the right class—and of raw materials and food supplies. Prices have reached very high levels, and will probably continue to rise. When the war at last comes to an end and Government expenditure for war purposes is reduced to a minimum, there will be a swift reversal of the conditions of the past two years. As the war is the greatest the world has ever known, so will the aftermath be the most far-reaching. It will, therefore, be the part of wisdom for all classes to conserve their gains and place themselves in a position to meet the period of readjustment."

A SATISFACTORY STATEMENT.

The Bank's report for the year ended November 30th, some details of which have previously appeared in our columns, is a very satisfactory document. Profits are reported as \$802,920, equivalent to 7.3 per cent. upon the paid-up capital and reserve, and compare with \$730,954 (6.6 per cent.) in 1916. With the balance brought forward on profit and loss account of \$507,990, the total amount available is \$1,310,910. Of this amount \$550,000 is appropriated for the eleven per cent. dividend; war tax on circulation absorbs \$49,404; \$25,000 is transferred to the officers' pension fund; \$31,200 goes in patriotic and philanthropic subscriptions; \$100,000 is written off bank premises and the slightly increased balance of \$555,307 is carried forward.

While circulation is almost \$2,000,000 higher than in 1916, at \$7,606,005, and bank deposits show a growth of \$9,000,000 over a year ago, to a

total of \$63,907,297, the Bank has also considerably strengthened its liquid position. Cash holdings are up \$750,000, from \$9,320,237 to \$10,082,352 and the Central Gold Reserve deposit has been enlarged from \$1,100,000 to \$2,500,000. The whole growth of deposits is represented in the enlargement of security holdings, which expanded during the year from \$8,172,430 to \$17,265,153, and represent the Bank's assistance in connection with Government financing, and the purchases of the British Government in Canada. Quick assets (including call and short loans in Canada of \$2,158,412), are \$37,938,501, compared with \$26,957,701 in 1916, and equal to 52.3 per cent. of liabilities to the public against 43.7 per cent. a year ago. Practically the whole of the increase in assets is represented by the gain in quick assets. Current loans and discounts at \$42,196,693 show only a trifling change from 1916.

The following are the leading items of the Bank's general statement in comparison with 1916:—

	1917.	1916.
Circulation.....	\$ 7,606,005	\$ 5,699,133
Deposits (not bearing interest)....	17,034,916	13,717,785
Deposits (bearing interest).....	46,872,381	41,175,722
Total Liabilities to Public.....	72,601,112	61,606,565
Specie and Legals.....	10,082,352	9,320,237
Deposit in Central Gold Reserve.....	2,500,000	1,100,000
Securities Held.....	17,265,153	8,172,430
Call and Short Loans in Canada....	2,158,412	3,361,277
Total of Quick Assets.....	37,938,501	26,957,701
Current Loans and Discounts.....	42,196,693	42,127,316
Total Assets.....	\$4,293,919	73,114,555

At Montreal, the Bank of Toronto occupies well equipped offices at the corner of St. James and McGill Streets, where a steadily increasing and valuable business is transacted by the Bank under the management of Mr. H. B. Henwood.

ESTABLISHED 1873.

The

Standard Bank of CANADA

QUARTERLY DIVIDEND NOTICE No. 109

NOTICE is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending January 31st, 1918, and that the same will be payable at the Head Office in this City, and at its branches on and after Friday, the 1st day of February, 1918, to Shareholders of record, the 23rd January, 1918.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto, on Wednesday the 27th of February next at 12 o'clock noon.

By Order of the Board,
C. H. EASSON
General Manager.

Toronto, December 21st, 1917.