

THE BANK OF MONTREAL.

The Bank of Montreal's profits for the half-year ended April 29th were \$1,067,240, an increase of about \$37,000 on the amount reported for the last corresponding half-year of \$1,030,194, and comparing with \$1,212,750 in the half-year ending April, 1914. The present profits are equal to 6.67 per cent. per annum upon the capital and rest combined.

The earnings were sufficient to pay two quarterly dividends at the rate of ten per cent. per annum plus a bonus of one per cent., to provide \$80,000 (against \$50,000 a year ago), for the war tax on bank note circulation, a sum of \$27,240 being then added to the accumulated balance on profit and loss account which now amounts to \$1,321,193.

THE BANK'S BALANCE SHEET.

The following are the leading figures of the Bank's present half-yearly balance sheet in comparison with those of the corresponding half years of 1915 and 1914:—

	1916.	1915.	1914.
Capital Stock.....	\$ 16,000,000	\$ 16,000,000	\$ 16,000,000
Rest.....	16,000,000	16,000,000	16,000,000
Circulation.....	17,936,058	14,338,497	13,438,814
Deposits (not bearing interest).....	134,601,102	63,901,200	50,457,523
Deposits (bearing interest).....	194,006,551	166,990,565	157,722,511
Total Liabilities to Public.....	356,538,614	252,733,021	225,814,855
Specie and Legals.....	68,073,304	47,019,960	23,966,568
Call Loans Abroad.....	90,275,566	76,792,482	86,456,203
Bank Balances Abroad.....	67,171,736	14,205,378	10,750,379
Total of Quick Assets.....	272,093,194	163,558,440	139,579,558
Current loans and discounts.....	111,424,634	117,653,235	117,116,406
Total Assets.....	390,421,701	289,562,678	262,956,419

Extended reference is made on another page to the probable reasons for the remarkable increases in the Bank's deposits and assets. It will be seen that circulation is \$3,600,000 higher than a year ago, and this probably furnishes a more accurate idea to existing trade activity than current loans and discounts, which are down by over \$6,000,000—from \$117,653,235 to \$111,424,634. Holdings of actual cash—specie and legals—are over \$21,000,000 higher than a year ago at \$68,073,304 and almost triple their amount two years ago. The proportion of the Bank's liquid assets to liabilities to the public is no less than 76.9 per cent., compared with 64.6 per cent. a year ago.

CANADIAN BANK CLEARINGS.

Canadian bank clearings for the week ending April 18th showed an increase of 47.1 per cent. In the East the increase was 43.8 per cent., and in the West 58.1 per cent. In the West, Winnipeg showed a substantial increase of 81.9 per cent., next came Medicine Hat with an increase of 58.2, Regina 58.0, Saskatoon 50.0 and Calgary 46.3 per cent. In the East the cities, to show a large increase were Montreal, Toronto, Ottawa and Hamilton. For the year to date the clearings for the whole Dominion increased 33.3 per cent., as compared with those of last year. Last week's total for all Canada was \$200,764,064 against \$136,392,568 last year.

THE MERCHANTS' BANK STATEMENT.

An exceedingly satisfactory liquid position is disclosed in the statement of the Merchants Bank for the year ended April 29th. While holdings of actual cash are somewhat lower than in the previous year, this decrease is more than accounted for by a fall in the amount of Dominion notes held, the current coin in the Bank's possession being practically a million more than in 1915. The Bank has largely increased its security holdings during the year, investments in Dominion and Provincial Government securities being now returned as \$2,480,447 against \$583,998 a year ago, while Canadian municipal securities and British, foreign and colonial public securities are \$5,251,321 against \$903,667. Canadian call loans show a very substantial increase at \$5,175,048, against \$3,606,343 a year ago, while foreign call loans have nearly tripled at \$2,651,404. Bank balances abroad also show a marked advance at \$4,099,253 compared with \$2,232,656. The growth of American balances is responsible for this increase, balances in the United Kingdom having declined by fully \$800,000 during the period. Total liquid assets are \$40,960,487, a proportion of 50 per cent. to the liabilities to the public compared with 44.6 per cent. a year ago.

The following is a comparison of the leading items of the balance sheet for the last two years:—

	1916.	1915.
Capital Stock.....	\$ 7,000,000	\$ 7,000,000
Rest.....	7,000,000	7,000,000
Circulation.....	7,486,906	6,204,069
Deposits (not bearing interest).....	17,181,959	12,692,061
Deposits (bearing interest).....	54,995,070	50,037,102
Total Liabilities to Public.....	81,934,836	71,769,614
Specie and Legals.....	*12,788,064	*16,425,949
Bank Balances abroad.....	4,099,253	2,232,656
Call Loans abroad.....	2,651,404	964,193
Total of Quick Assets.....	40,960,487	33,086,571
Current loans and discounts.....	49,038,691	47,502,099
Total Assets.....	96,361,363	86,190,464

* Including \$1,000,000 Deposit in Central Gold Reserve.

Circulation shows a very fair enlargement over last year's figures, being \$7,486,906 against \$6,204,069. Deposits are substantially higher, non-interest bearing deposits being \$17,181,959 against \$12,652,061, while interest bearing deposits total \$54,995,070 against \$50,037,102. The total rise in deposits is thus over \$9½ millions. Current loans and discounts show an advance of \$1½ millions to \$49,038,691. With the exception of about \$100,000 this rise was accounted for by Canadian loans and is an interesting indication of commercial activity. The total assets of the Bank are reported as \$96,361,363, an advance of fully ten millions on last year's total of \$86,190,464.

With the growth in liquid assets, the Bank shows a slight reduction in profits which are returned as \$950,713, compared with \$995,432 in the preceding year, and equal to 6.79 per cent. on the paid-up capital and rest combined. A balance of \$245,140 brought forward makes the total available on this account \$1,195,854. The 10 per cent. dividend absorbs \$700,000; \$27,000 is allocated to patriotic and philanthropic objects; the war tax on note circulation absorbs \$67,870; \$150,000 is transferred to contingent fund and the slightly increased balance of \$250,984 is carried forward.