

THE CANADIAN BANK OF COMMERCE.

Last week's annual meeting of the shareholders of the Canadian Bank of Commerce was marked as usual by extremely interesting addresses from Sir Edmund Walker (president) and Sir John Aird (general manager). The addresses of both gentlemen are given elsewhere in this issue of the Chronicle, and are well worthy of perusal at this epoch in the history of the country. Marked by that easy and lucid diction which is always a feature of Sir Edmund Walker's utterances, this year's address concerned itself with Canada's commercial and industrial situation after the war. He indicated the scale of industrial events by a review of our foreign trade. During the last two years both imports and exports have reached unusual figures. In 1917 the excess of exports over imports was \$502,321,000, and in 1918 it was \$623,647,000. The excess in each of the two years was greater than the total yearly value of exports before the war period. The record for the last six months—April-September—indicates that the foreign trade is declining, but there is still a surplus of exports. The falling away is due to lowered exports of manufactures and of wheat, a natural outcome of conditions both in Canada and abroad. Sir Edmund referred to the sale of \$763,968,449 Canadian securities in 1918, of which amount \$724,849,216, or almost 95 per cent. were taken in Canada. Not only have we taken care of all new requirements, but we have paid off loans maturing in the United States to the amount of about \$40,000,000. If we are to secure the increased production necessary to pay our debts, we must be able to lend money to many of the purchasing countries, a condition never before present in our export trade, and we can only keep export trade permanently by a superiority over other manufacturing nations in, at least, some respects.

Sir Edmund's remarks, dealing with every phase of the business situation, are marked with perception and judgment guided by long study of world-trade conditions, and we commend their perusal to every business man, coming, as they do, from one of the most distinguished bankers on this continent at a most critical period (at a time necessary for reconstruction), in spite of the widely-spread prosperity in Canada.

Sir John Aird, in an impressive address, dealt more closely with the affairs of the bank. In his opening remarks he said that the past year had been pleasantly marked by the jubilee of the President, who celebrated the fiftieth anniversary of the day on which he entered the service of the bank. The excellent statement is a great tribute to the general manager's able direction of the affairs of an institution that for so many years has taken a particularly prominent share in the task of providing for the financial requirements of Canada's commercial community, a condition of things which is reflected in its premier position among the Canadian banking institutions as regards current loans and discounts in Canada.

The Canadian Bank of Commerce, in the fiscal year ended November 30th last, enjoyed twelve months of great prosperity and wide expansion. During that period the assets reached the huge total of \$440,310,703.22, as against \$344,375,232.64 in the preceding year, an increase of \$95,935,470.58, while the deposits aggregated \$353,158,816.04, an increase of \$76,733,161.63. Of these deposits \$202,148,245.47 bear interest and \$151,010,570.57 are non-interest bearing.

The Bank carries an exceptionally large proportion of its assets in liquid form. In gold and silver coin there was held at the end of the year the sum of \$22,186,046.24, and in Dominion notes the sum of \$39,785,117.25. The total of these two items, \$61,971,163.49, compares with \$54,652,247.21 in 1917, an increase of \$7,318,916.28. In addition the Dominion and Government securities held by the bank reach a total of \$36,165,259.20, an increase of \$8,568,838.98, and the British, foreign and colonial securities held amount to \$29,884,242.13, an increase of \$7,789,108.84. The bank's notes in circulation total \$31,583,694.63, an increase in the twelve months of \$7,588,450.00.

Current loans and discounts in Canada at the end of the year reached the sum of \$199,672,294.63, compared with \$149,822,028.44, an increase of \$49,850,266.19. Current loans and discounts outside of Canada aggregated \$17,617,641.44, compared with \$14,846,130.56 in the previous year, an increase of \$2,771,510.88. Call loans in Canada total \$13,843,130.58, an increase of \$382,267.96.

The Rest Account now stands at the same amount as the Paid-up Capital, namely, \$15,000,000, having been increased during the year by the sum of \$1,500,000.

The net profits of the Bank for the year were \$2,850,318.16, as compared with \$2,637,555.43, an increase of \$212,762.73 in 1917. With the balance brought forward from the previous year and another item of a special character there was \$5,182,392.63 available for distribution. Of this sum \$1,500,000 was paid out in dividends, \$300,000 in two bonuses, \$150,000 in war tax on Bank note circulation, \$85,000 was transferred to the Pension Fund, \$100,000 was reserved for a Memorial Fund for the officials of the Bank who served in the war, \$1,500,000 was transferred to the Rest Account, \$102,550 went in various subscriptions of a patriotic character, and \$1,444,842.68 was carried forward as a balance to the present year.

The principal items of the statement are compared in the tables below:

	1917.	1918.
Notes in circulation ..	\$ 23,995,244	\$ 31,583,694
Deposits	276,425,654	353,158,816
Specie and Dominion		
Notes	54,652,247	61,971,163
Total Quick Assets ..	167,336,942	203,018,982
Commercial Loans . . .	164,668,159	217,289,936
Total Assets	344,375,232	440,310,703
Net Profits	2,637,555	2,850,318