

The Canadian Bank of Commerce

ESTABLISHED 1867

PAID UP CAPITAL - \$15,000,000 RESERVE FUND - \$13,500,000
HEAD OFFICE --- TORONTO

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BRANCHES IN CANADA

44 in British Columbia and Yukon. 89 in Ontario. 81 in Quebec. 133 in Central Western Provinces. 23 in Maritime Provinces.

BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

St. John's, Nfld. London, Eng. New York. San Francisco. Portland, Oregon. Seattle, Wash. Mexico City.

The large number of branches of this Bank enables it to place at the disposal of its customers and correspondents unexcelled facilities for every kind of banking business, and especially for collections.

SAVINGS DEPARTMENT

Connected with each Canadian branch, Yukon Territory excepted, and interest allowed at current rates.

Bank of France Return

The weekly statement of the Bank of France shows the following changes (in francs): Gold holdings increased 8,501,000; silver holdings increased 1,173,000; notes in circulation increased 122,000,000; general deposits decreased 6,300,000; bills discounted decreased 14,500,000; Treasury deposits decreased 95,643,000; advances decreased 13,785,000.

The detailed statement compares as follows (in francs—000s omitted):

	1916.	*1915.	1914.
Gold	5,006,200	4,492,789	3,520,800
Silver	353,300	625,325	643,750
Circulation	13,754,000	9,986,041	5,877,298
Gen. deposits	2,048,700	947,571	638,090
Bills discounted	2,204,500	2,454,280	1,554,341
Treasury deposits	25,700	382,561	215,840
Advances	1,124,100	743,772	740,959

* Figures as of July 30, 1914, as publication of weekly statements were suspended between that date and February 4, 1915.

The total gold holdings compare as follows (in francs—000s omitted):

	1916.	1915.	1914.
Jan. 20	5,006,200	4,492,789	3,520,800
Jan. 6	4,988,600	4,492,789	3,502,625
1915.		1914.	1913.
Dec. 30	5,015,188	4,492,789	3,507,700
Dec. 23	5,070,464	4,492,789	3,514,900
Dec. 16	5,026,300	4,492,789	3,524,600
Dec. 9	4,939,942	4,492,789	3,520,250
Dec. 2	4,877,432	4,141,350	3,521,300

The item of circulation compares as follows (in francs—000s omitted):

	1916.	1915.	1914.
Jan. 13	13,634,680	9,986,041	6,011,381
Jan. 6	13,518,600	9,986,041	6,017,474
1915.		1914.	1913.
Jan. 20	13,634,680	9,986,041	6,011,321
Dec. 23	13,201,108	9,986,041	5,731,551
Dec. 16	13,449,500	9,986,041	5,697,012
Dec. 9	14,070,676	9,986,041	5,699,815
Dec. 2	14,291,199	6,683,184	5,909,113

British Capital's Task

How completely England has now buckled down to warfare is clear from analysis of uses to which she is putting her resources. To the blockade of goods into Germany there corresponds the blockade upon capital out of England; and both these are bolstered by the adopting of the conscription principle and the devoting or diverting of nearly 2,500 home munitions plants to the charge of Lloyd-George. It is the money figures that speak as yet most clearly.

The real rather than nominal distribution of capital publicly subscribed in England in recent years may be set forth as follows,—with proviso that prior to August, 1914, the investment was all for peace purposes, but since then has constituted mainly advances for war budgets at home or advances to allies:

	Home purposes	Colonies & foreign	Total
1915	\$1,865,000,000	\$1,445,000,000	\$1,615,000,000
1914	1,445,000,000	1,250,000,000	2,695,000,000
1913	255,000,000	985,000,000	1,240,000,000
1912	256,000,000	802,000,000	1,058,000,000
1911	161,000,000	819,000,000	980,000,000
1910	215,000,000	945,000,000	1,160,000,000
1909	153,000,000	912,000,000	1,065,000,000
1908	293,000,000	729,000,000	1,022,000,000
1907	210,000,000	447,000,000	657,000,000

Advances to allies exceed \$2,000,000,000 to date; their total within the twelvemonth to April has been put by the exchequer at \$2,100,000,000. The itemized lists probably will not be made public till after the war. Were account taken of English subscriptions in 1915 under nominal home or outside designations, it would appear that the comparison as between British and external prospectuses was as follows, according to the London Statist:

	1915.	1914.	1913.	1912.
United Kingdom	£644,991,178	£380,159,818	£50,709,566	£51,294,436
Ind. and Cols	23,222,080	86,753,822	99,818,702	65,116,119
Foreign	51,462,500	72,167,244	97,708,945	94,926,425
Total	704,675,728	539,080,884	248,237,207	211,336,980

How extraordinary is this diversion of capital is evident from the fact that new money applied within the United Kingdom in 1915 constituted 91.6 per cent of all British capital subscriptions, following a corresponding percentage of 70.5 in 1914, while the same

ratio for the seven years preceding 1914 was only 21.5 per cent.

The prompt consequence of the huge war demands at home upon British capital was the governmental ban put upon loans to nearly all outside applicants formerly supplied. The result is seen in 1915 in allowance of only \$40,000,000 to all countries, other than colonies or allies, which in the four years before the war received an average of \$455,000,000 yearly; and of the \$40,000,000 in 1915, Argentina alone accounted for \$39,400,000.

Colonial flotations, which before the war were getting \$390,000,000 a year from London, received in 1915 only \$115,000,000; and lately Canada, which got \$42,000,000 in the earlier months of 1915, has had to turn to New York. The only substantial British capital supplies to the Continent last year were \$47,500,000 to Russia and \$169,000,000 to "other Europe,"—of which \$167,500,000 went to France.

The embargo on export of capital apparently did not become complete till after the first half of 1915. Thus, of the \$116,000,000 colonial subscriptions taken in 1915, only \$117,000 occurred after July last. Of the \$257,000,000 supplied to foreign lands in 1915, only \$120,000,000 falls within the last half-year; and this is precisely the share of the French loan allotted to London in December. The ban is thus now airtight.

The transformed world situation is further reflected in the fact that in the seven years before the war an annual average of \$117,000,000 British capital came to the United States; now we are the lenders on a multiplied scale.

Counting all war and industrial subscriptions, the British public last year raised \$6,563,000,000, following \$1,992,000,000 in 1914, and the bill will be even

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bigger for 1916. The nation has probably raised its savings rate from \$2,000,000,000 to nearly \$4,000,000,000 a year; the rest of the cost must come from borrowing and liquidation—Boston News Bureau.