The Monetary Times

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APRIL BANK STATEMENT.

	April, '08.	Mar., '09.	April, '09.	Year's inc.	Month's inc.
Deposits on demand	$154,566,281	$200,843,984	$207,039,031	+33.9	+3.08
Deposits after notice	397,305,435	445,626,884	450,450,722	+13.3	+1.08
Current loans in Canada	539,330,752	520,109,936	524,168,988	— 2.8	+0.7
Current loans elsewhere	22,104,891	34,915,132	35,874,530	+62.2	+2.9
Call loans in Canada	41,585,563	48,911,736	50,213,950	+20.7	+2.6
Call loans elsewhere	51,240,020	117,850,605	114,493,570	+123.5	—2.8
Circulation	66,712,899	68,708,458	67,266,664	+ .8	—2.09

For a considerable time the country has been talking returning prosperity; but the coming again as seen in trade and commerce is slow. One of the best ways to judge is by the chartered banks' statements. The decline in current loans in Canada commenced more than a year ago, and continued almost without exception throughout 1908. To the surprise of many, the loss made inroads into the figures of January and February. In March an increase was noted in domestic loans. This was taken to mean that conditions were changing. The April statement helps to strengthen that opinion. The May figures, it is hoped, will confirm them beyond doubt.

The home loans in January were 511 millions; in March, 520 millions, and in April, 524 millions. In April, 1906, they were only 486 millions; a year later they had increased to the enormous sum of 586 millions. In 1908, they exhibited a decline, having dropped to 539 millions, while last April showed a further falling off to 524 millions. Thus in order to equal the figures of April, 1907, the banks would have to loan another 62 millions to their customers in Canada. It is doubtful whether the 1907 records will be paralleled for some years to come. While the decline during the latter part of 1907 and practically the whole of 1908 was due to the rightly cautious policy of the banks, another important factor was operative. That was the demand for money with which to develop and increase commercial business at home. The call for loans of consequence became less and less. This, together with the fact that the financial institutions exercised unusual discretion in loaning, rapidly brought the figures to a comparatively low level. Since January, as noted, current loans in Canada have increased approximately 13 million dollars, an average of about three millions a month. That is satisfactory development, and perhaps proves more than anything that Canada is not running wildly into illusive prosperity, the vapour of the real thing.

Here is a table showing the loan fluctuations for the past twelve months:—