

country brings a relaxation of
y line of business. Accordingly
statement this month are not
importance.

000,000 in capital authorized is
he Imperial Bank of Canada in
steps for increasing its capital
000,000. Only as late as five
e only three banks with an
his amount or over, and only
ded \$3,000,000, or whose paid-
500,000, whereas now there are
half of the total number, whose
3,000,000 or over, and sixteen
l of \$2,500,000 or over. This
remarkable growth of the Can-
erval, during which their total
out 60 per cent. and their cur-
ver 77 per cent., while paid-up
uring the same period a little
note circulation 39 per cent.
rowth in the capitalization of
has been by no means exces-
kept pace with the intresed
s, while the amount of aid ex-
e business of the country—as
of current loans—has increased
dly than the resources of the

a bearing on the dulness of
kets at the present time, but it
nks, in the employment of the
their care, have not been blind
e country. At the same time,
loans lie the possible seeds of
e can but hope that in the
anches the quality of the men
s has not been overlooked,
eir ability to judge as to the
make. A perusal of the bank
years ago will impress on the
evil possibilities which are
inefficient bank management.

bscribed and paid-up capital
nt, and do not call for any
in circulation have decreased
000, as compared with a de-
corresponding month a year
of the decrease is an offset to
ase commented on in connec-
ment. It is worthy of note in
greatest amount of notes in
uring the month is larger than
figures for June, and those for
owing apparently that the ex-
e continued during the early
process of contraction which
ation during the whole of the

able on demand in Canada
e increase amounting to \$7,
y evenly among the list of
e that a cleaning up of last
e grain men and their making
crop may be responsible for
e deposits after notice show but
000, while the corresponding
d an increase of \$2,738,000.
ave increased \$3,482,000. the
the figures of the Bank of
shed \$2,114,000 under this

es due to banks and agencies
and in foreign countries re-
t, the former heading show-
atter a decrease, while total

liabilities show the respectable growth of \$8,519,000
for the month.

On the other side of the balance sheet there has
been an increase in holdings of specie of \$572,000, and
in legals of \$1,809,000, the ratio of these two items to
liabilities to the public being 8.50 per cent. in July, as
compared with 8.26 per cent. in June.

The total of deposits with the Dominion Govern-
ment for security of note circulation shows an increase
this month of \$587,000. The reason for this is the an-
nual adjustment which has to be made under the pro-
visions of the Bank Act, so as to bring the amount in
the fund at credit of each bank to a sum equal to five
per cent. of the average amount of its notes in circula-
tion during the twelve months preceding the 30th
June in each year, this date being the one fixed by the
Act for the adjustment.

The balances due by agencies in the United King-
dom show a decrease of \$461,000, and those due by
agencies in foreign countries an increase of \$2,390,000.
There has been an increase of \$772,000 in railway and
other bonds, debentures and stocks, due principally to
a change in the holdings of the Bank of Montreal.

Call and short loans show an increase of \$2,184,000
in Canada, and \$785,000 elsewhere, while current loans
in Canada have decreased \$688,000. This is the first
time during the current year that this item has shown
a decrease, and it is doubtless to be attributed to the
slackening of business activity which is usual in mid-
summer. Current loans outside Canada show an in-
crease of \$1,220,000, which taken in connection with
the increase of \$3,482,000 in deposits outside Canada,
doubtless goes to show that the business of the foreign
branches of Canadian Banks continues to expand. As
some of these are in tropical countries, their business
is not affected by the same climatic influences as is
the business of Canadian branches. Total assets have
increased during the month by the respectable sum of
\$11,008,000, which cannot be considered a bad showing
for a dull season of the year.

Taken as a whole, the July statement, while pre-
sented no very striking features of interest, tells of a
continuance of steady progress and satisfactory condi-
tions. To those who read between the lines a study of
it may reveal a measure of preparation for the season
of activity which must shortly be upon us, but which
will probably not be fully evidenced by the bank re-
turns until the figures for the month of September are
made public.

CANADA'S FOREIGN INVESTMENTS.

Investment is one of the luxuries. When a nation
goes looking for chances to invest in foreign enterprises
it indicates that its day of small necessities has passed.

It is probable that no country ever had so many
investments far afield, at such a comparatively early
stage in its history, as Canada.

Search for profit in the green hills far away may
be attributed to many reasons; and oftentimes they are
wrong. It may be because the home country does not
present openings of its own, for the employment of
capital. It may be that the probable dividend returns
are not sufficiently seductive. Or, it may be that the
promise held out in foreign lands, through lack of
competition, extra desirability of franchise or other
cause, more than counterbalances any risk arising from
distance from headquarters.

Canada herself is calling aloud from all quarters
for capital to develop its mines and agriculture, to
run its waterpowers and manufacturing industries, to
render her one of the greatest exporting nations on
earth. Reason for her capitalists going abroad, there-
fore, cannot be found in either of the first two con-
siderations named. One has to fall back on the third,

or, what is a still more probable cause, on the ineradic-
able and ancient disposition of the British stock to
over-run the earth and go asearch for the new and
previously undone.

Particular interest attaches to Canadian invest-
ments abroad just now, because for the most part
they are in the tropics; and it so happens that terrible
convulsions, either of nature or of politics, have drawn
to southerly latitudes in recent months the eyes of the
whole world.

But places which are a long way off look much
closer together than they really are.

Rio and Sao Paulo stocks have suffered because
there was an earthquake in Valparaiso. As well
almost might Winnipeg Electric shares depreciate on
account of the earthquake in San Francisco. There is
just about the same amount of dissimilarity between
Valparaiso and Sao Paulo, in soil structure and dis-
tance, as between San Francisco and Winnipeg.

Revolution is another boggy to some. There was
the report of a rumor of dissatisfaction with the
Government in some corner of Brazil. At once the
Canada-Brazilian stocks fell; not very much, but
enough to show the extremely barometric nature of
money. Brazil is a very large country. Revolution in
a South American Republic is a different thing from
that called under that name by Northerners. Fre-
quently, a revolution which fills considerable space in
the American newspapers, is unrecognized by the next-
door neighbor to the town in which it has broken out.

United States Secretary Root, when visiting
Brazil on an embassy of peace, showed his good sense
by not mentioning the alleged revolution at all. He
did bring up the Monroe Doctrine, however, where-
upon the Brazilians, without combatting that ancient
friend, or indeed, thanking the United States for its
protective cloak, gently alluded to a Doctrine of their
own, known as the Calvo law, which asserts the un-
desirability of South American debts being collected
forcibly by a foreign country. Mr. Root plainly dis-
claimed any United States intention to use its army or
navy for such purpose; wisely suspecting the fact that
the United States being a neutral country, and having
no personal interest in such debts, would only make
matters worse in a South American's estimation.

These rival or complementary doctrines will
probably never become of heartfelt interest to the Can-
adian investor; or his interests will probably be safe
enough without either; but it is well for him to be
acquainted with their terms.

In Cuba, Canadians have an increasing stake; and
now revolution is there, too. But unless all signs fail,
there is no cause for alarm. Revolutions vary greatly;
that now is of a very different nature from the one
which shook the Island from Santiago to Pinar del Rio
ten years ago. The great mass of the people are for
peace at any price. Should the worse come to the
worst, a very unlikely contingency, the United States
would step in to restore order. Annexation might
eventually ensue; it is what many foreign residents
look for now, generally with desire. But the United
States can afford to wait; it has no urgent wish to call
forth reminiscent remarks from other nations; what
will be, will be; the United States can accept a situa-
tion gracefully when it comes, just as well as force it.

NO "TREATY" NEEDED.

No answering thrill will go out from Canada at
the report that the Mother Country proposes to enter
upon a joint commission with the United States for
the settlement of all outstanding differences between
the latter and ourselves. Canada has suffered too
much from the bungles of other Joint Commissions to
place much confidence in the workings of another.