

about by the same evil policy of arbitrarily holding prices up. The rubber trade is upset over the collapse of the speculation in that article of commerce. The produce trade is all at sea, over the reciprocity arrangement. The grain markets cannot make up their minds whether the agreement will be ratified or not.

This unsettlement of trade on the other side of the boundary is likely to have some effect upon Canadian conditions. Not a great deal of change has occurred in the Montreal and Toronto money markets. The stringency in money has not passed away. Great difficulty is experienced in negotiating new loans. Although the press correspondents at Ottawa were unanimous in referring to the decrease of deposits shown in the December bank statement as a seasonable and normal occurrence, it should be said that in nearly every year December shows an increase of deposits. January, on the other hand, almost invariably sees a fall. There is no reason to suppose that January in 1911 proved an exception to the general rule. So we may suppose that deposits fell off again last month. It is to be hoped that the accessions of new funds during the spring months will be on a large scale; and that the banks generally will succeed in their efforts to bring themselves into shape for extending a generous support to Canadian industry and trade and finance.

THE DOMINION BANK.

The expansion in the business of the Dominion Bank is shown not only by the figures of the 1910 statement; printed, with a report of the fortieth annual meeting of shareholders, in full on another page, but, also, by the fact that the Head Office premises have become inadequate for present needs, and the directors of the Bank have purchased a lot at the north-east corner of King and Yonge streets, Toronto, and purpose erecting a new building there. The Bank's activity in this meeting present and future requirements is shown by the fact that last year buildings were erected for the branches at Edmonton, Moose Jaw and Notre Dame avenue, Winnipeg, and buildings will be erected during the current year at Saskatoon and Calgary, completing, for the time being, necessary expenditures upon western branches. Additionally, branch offices will be erected this year on four sites in Toronto. The success of the Bank's policy of extension is shown by the fact mentioned in the directors' statement, that the offices opened in 1909 are making satisfactory progress and already justify their establishment.

The leading figures of the Dominion Bank's 1910 balance sheet in comparison with that for 1909 are as follows:—

	1910.	1909.
Net profits.. . . .	\$ 659,300	\$ 620,927
Circulation.. . . .	3,587,547	2,565,994
Deposits.. . . .	49,302,784	45,487,813
Total Liabilities to public.. . . .	53,100,513	49,400,392
Paid-up Capital.. . . .	4,000,000	4,000,000
Reserve.. . . .	5,000,000	5,000,000
Specie and Notes.. . . .	6,665,105	5,389,163
Call loans.. . . .	4,327,484	5,407,124
Current Loans.. . . .	37,920,928	34,815,943
Total Assets.. . . .	62,677,820	58,957,038
Quick Assets.. . . .	22,044,300	22,042,232

The net profits of \$650,300 were equal to 16½ p.c. upon the paid-up capital, and are an advance of over \$39,000 in amount and of 1 p.c. in ratio upon the net profits of 1909. A sum of \$295,767 was brought forward upon profit and loss account so that the total amount available was \$955,067. Of this the dividend of 12 p.c. absorbed \$480,000 only, and after \$170,000, against \$150,000 last year, has been written off bank premises, the increased balance of \$305,067 is brought forward. It will be observed that the Dominion Bank does not this year increase its reserve fund, but requirements in this direction have previously been amply met, the fund standing at \$5,000,000 or the high ratio of 125 p.c. to the paid-up capital.

The directors, in their report, note that there has been a substantial growth in business in every direction, and this is borne out by the figures of the statement in comparison with those of last year. Deposits have increased by \$4,000,000; and now stand at \$49,302,784; current loans, on the other side, have increased by well over \$3,000,000 to \$37,920,928. There has been during 1910, a notable increase in the amount of specie and notes held by the Bank, the total advancing upon that of 1909 by \$1,300,000 to \$6,665,105. The cash assets of the Bank, in fact, total just over \$11,000,000 and immediately available assets slightly above \$22,000,000 or 41½ p.c. of the total liabilities to the public. Assets at the close of December last, reached \$62,677,820, against \$58,957,038 at the close of 1909.

The par value of the Bank's shares has now been changed from \$50 to \$100. Mr. E. B. Osler, M.P., continues as President, Mr. W. D. Matthews, as Vice-President, Mr. Clarence A. Bogert, as General Manager, while the Bank's St. James Street, Montreal branch remains under the management of Mr. J. Haydn Horsey.

ASPECTS OF BANKING EXPANSION.

The statistics of loans and deposits of the Canadian banks during the five years, 1906-10, which we give on another page, cover three periods. There is, first, a period of expansion, continuing on from previous years. This expansion was steadily pursued throughout the whole of 1906, and the early part of 1907, and reached its climax