COMPARATIVE ABSTRACT OF THE BANK STATEMENT, JANUARY, 1918.

(Compiled by The Chronicle).

	Jan. 31, 1918.	Dec. 31, 1917.	Jan. 31, 1917.	Month's Movement, 1918.	Month's Movement, 1917.	Year's Movement.
Assets.						
Specie	$ 82,443,676	$ 82,032,863	$ 69,121,450	+$ 410,813	—$ 2,050,719	+$13,322,226
Dominion Notes	184,949,958	167,509,121	143,499,253	+ 17,440,837	+ 18,749,012	+ 41,450,705
Deposit in Central Gold Reserves	75,570,000	97,270,000	32,050,000	— 21,700,000	— 11,650,000	+ 43,520,000
Notes of other Banks	18,251,206	24,078,909	14,354,638	— 5,827,703	— 5,347,196	+ 3,896,568
Cheques on other Banks	72,740,080	95,598,932	63,918,116	— 22,858,852	— 12,917,612	+ 8,821,964
Deposit to secure Note issues	5,772,350	5,769,631	6,864,046	+ 2,719	+ 2,571	— 1,091,696
Deposits with and balances due other Banks in Canada	6,837,725	6,995,230	4,720,765	— 157,505	— 1,369,303	+ 2,116,960
Due from Banks, etc., in U.K.	14,193,440	13,372,044	30,238,719	+ 821,396	+ 4,266,156	— 16,045,279
Due from Banks, etc., elsewhere	43,511,652	51,355,562	51,669,106	— 7,843,910	+ 1,220,413	— 8,157,454
Dom. and Prov. Securities	127,310,016	188,703,175	63,697,347	— 61,393,159	+ 32,605,266	+ 63,612,669
Can. Mun. Brit., etc. For. Pub. Securities	235,989,801	224,093,823	163,299,724	+ 11,895,978	— 4,279,064	+ 72,690,077
Rlwy. & other Bonds & Stocks	55,830,072	55,609,275	61,304,541	+ 220,797	— 2,802,999	— 5,474,469
Total Securities held	419,129,889	468,406,273	288,301,612	— 49,276,384	+ 25,503,203	+130,828,277
Call Loans in Canada	76,239,201	71,779,020	79,737,064	+ 4,460,181	— 2,832,919	— 3,497,863
Call Loans outside Canada	132,687,066	134,483,482	155,547,476	— 1,796,416	— 18,330,658	— 22,860,410
Total Call and Short Loans	208,926,267	206,262,502	235,284,540	+ 2,663,765	— 21,163,577	— 26,358,273
Current Loans and Discounts in Canada	855,506,506	858,533,298	806,479,147	— 3,026,792	— 13,899,410	+ 49,027,359
Current Loans and Discounts outside	116,220,343	111,581,098	85,989,511	+ 4,639,245	+ 9,592,791	+ 30,230,832
Total Current Loans & Discounts	971,726,849	970,114,396	892,468,658	+ 1,612,453	— 4,306,619	+ 79,258,191
Loans to Dominion Government	....	....	....	....	— 3,970,000	....
Loans to Provincial Governments	6,657,307	9,774,419	867,538	— 3,117,112	— 1,100,205	+ 5,789,769
Loans to Cities, Towns, etc.	40,015,466	36,353,039	24,487,273	+ 3,662,427	+ 430,476	+ 15,528,193
Bank Premises	51,716,972	51,484,586	49,317,635	+ 232,386	— 471,305	+ 2,399,337
TOTAL ASSETS	2,237,867,216	2,323,163,783	1,933,516,347	— 14,703,433	— 14,527,909	+304,350,869
Liabilities.						
Notes in Circulation	$ 171,674,464	$ 192,923,824	$ 133,358,187	—$21,249,360	—$15,427,100	+$38,316,277
Due to Dominion Government	106,497,043	65,998,553	33,090,492	+ 40,498,490	+ 8,451,265	+ 73,406,551
Due to Provincial Governments	17,961,683	16,781,521	21,951,499	+ 1,180,162	+ 3,581,179	— 3,989,816
Deposits in Canada, payable on demand	559,777,237	569,441,871	427,308,526	— 9,664,634	— 30,899,891	+132,468,711
Deposits in Canada, payable after notice	900,314,256	995,978,013	864,163,344	— 95,663,757	+ 19,156,627	+ 36,150,912
Total Deposits of Public in Can.	1,460,091,493	1,565,419,884	1,291,471,870	—105,328,391	— 11,743,264	+168,619,623
Deposits elsewhere than in Canada	169,581,106	174,779,104	159,494,048	— 5,197,998	— 3,366,566	+ 10,087,058
Total deposits other than Govt.	1,629,672,599	1,740,198,988	1,450,965,918	—110,526,389	— 15,109,830	+178,706,681
Deposits & Bal., other Can. Bks.	8,984,139	10,634,093	6,740,555	— 1,649,954	— 2,196,732	+ 2,243,584
Due to Bks. & Correspts. in U.K.	2,377,948	3,032,669	1,717,651	— 654,721	— 2,074,244	+ 660,297
Due to Banks & Correspts. elsewhere	23,775,825	19,841,884	19,332,968	+ 3,933,941	+ 1,737,914	+ 4,442,857
TOTAL LIABILITIES	1,993,179,080	2,081,733,392	1,691,037,174	— 88,554,312	— 15,911,394	+302,141,906
Capital, etc.						
Capital paid up	$111,709,465	$111,673,776	$111,545,874	+$ 35,689	—$ 1,800,467	+$ 163,591
Rest	114,161,223	114,100,693	113,337,875	+ 60,530	— 45,468	+ 60,530
Loans to Directors & their Firms	8,282,811	8,221,400	8,073,660	+ 61,411	— 421,550	+ 209,151
Greatest Circulation in Month	193,567,911	208,753,337	149,425,864	— 15,185,426	— 12,174,123	+ 44,142,047

BANKS' DEPRECIATION APPROPRIATIONS.

With reference to the extensive appropriations by the banks in recent years for depreciation, which, as shown in our recent series of articles on Banking Profits, amounted to $746,192 in 1917; $920,000 in 1916; $3,283,277 in 1915 and $2,255,840 in 1914, it is pointed out that the total of these appropriations during the four years amounted to $7,204,000 or over 6 per cent. on capital stock. Of this total about $5,000,000 was stated as representing depreciation in securities, presumably bond investments.

In the same four years the banks in the United Kingdom, according to the London Bankers' Magazine, have written off the value of their security holdings to the extent of £19,600,000, or, say, $95,000,000. The British banks, however, have always carried a relatively larger amount of their assets in the form of bonds and debentures, and declining market values, therefore, affected them more adversely.

So long as the banks do not sell the bonds while they are depressed, it is pointed out, the depreciation shown is merely a paper loss; and if in the course of a few years the market recovers to the former level, the appropriation would then represent surplus profits just as if it had been added to the rest or the profit and loss balance. Many observers are confident that within a few years of the war's termination the general interest rate on high-class bonds will decline. Such decline in interest would signify a rise in market quotations; and there is thus substantial reason for expecting that a part at least of the amounts lately written off the book value of bonds will be recovered.