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Reassuring Canadian Bank Showings.

STRONG satisfaction may well be felt at the position of the Canadian chartered banks at the present time—whether their joint statement be considered (as elsewhere in this issue) or their showings as individual institutions. A week ago the annual statement of the Bank of Montreal was commented upon as an indication of the way in which Canadian bankers have strengthened their position against any possible stress. The Bank of Nova Scotia, too—although its annual report does not appear until after the close of the calendar year—has issued for public information a general statement of its affairs as at October 31 last. The condition as shown compares most favourably with that at December 31, 1906. Cash reserves have increased from $8,445,961 to $9,106,809, including an item of $1,468,456 in sterling exchange and gold in transit from London. Deposits have increased by over $2,000,000. Current loans have increased considerably, indicating that the bank is making use of its large resources to the advantage of the mercantile community.

And this week the Imperial Bank puts out its usual half-yearly statement as at 31st October, showing that while, since the 30th of April last, its total assets have decreased by something under three-quarters of a million, there has been a more than corresponding lessening of its liabilities to the public; a decrease, in fact, of over one million dollars, this taking place concurrently with an increase of nearly half a million dollars in note circulation to meet agricultural and commercial autumn requirements. And not only have liabilities been lightened, but cash assets have been strengthened, there being an increase of well over two hundred thousand dollars in gold, silver and legals during the six months.

The Government statement of all the chartered banks for the month ending October 31, shows that there has been a material addition to the strong cash reserves of a month ago. That this should have been so during a time of storm and stress over the border, and of special autumn demands at home is certainly reassuring as to the essentially sound position of the banks of the Dominion. At the close of September the banks' holdings of specie and Dominion notes were $72,811,006. During October this increased to $73,927,693—more than a round million of dollars. In the course of the month, it is to be noted that the total liabilities to the public decreased from $784,120,948 to $776,682,398—despite an increase of $4,834,983 in the October circulation.

Not only had special autumn needs for more currency to be met, but there were also demands for increased loan accommodation. Under existing circumstances it is gratifying to note that the banks were able to increase such accommodation by nearly one and three-quarter millions during October.

During the past half-year the bankers of Canada have applied themselves manfully to the task of making "assurance doubly sure" with regard to a banking system which the London Financial News referred to a week or so ago as "admittedly based upon the soundest of principles." That in doing so business inconvenience may have been caused in some instances is not to be wondered at; it was inevitable. And it is to be remembered that the limiting of accommodation to customers—where this was deemed necessary—meant sacrificing immediate profit on the part of the banks themselves. The refuser and the refused had alike to suffer somewhat for the general good. And even foretime grumblers are now coming to the view that after all it may have been well worth while.