

BRITISH BANK REPORTS FOR LAST YEAR:

The statements for the whole of the banks in the United Kingdom for last year have been published. The returns include those of the Joint-Stock banks of England, Ireland, and Scotland, the Colonial banks that have London offices, the Foreign banks with branches in London, and the private banks in England, but for none of the latter existing in Scotland or Ireland, of which there are very few and none of any importance.

The past year saw a continuance of the movement towards banking consolidation. Four joint-stock banks were merged in larger institutions, one each being taken over by Lloyds; the National Provincial; and Barclay & Co., which have risen to their present eminence by amalgamations.

The example of the Old Country might be followed in Canada, and, probably will be if the amended Bank Act provides wisely designed machinery for effecting bank amalgamations. In Canada there are 38 joint-stock banks, with an aggregate paid-up capital of \$64,245,000; averaging \$1,690,000 each; in Ireland there are 9 joint-stock banks with a total paid-up capital of \$35,600,000, averaging \$3,845,000 each; and Scotland has 11 joint-stock banks, with paid-up capital of \$46,450,000, averaging \$4,223,000 each. The average paid-up capital of the English banks is \$3,600,000. With a total population in the United Kingdom of almost exactly eight times that of Canada, there are only twice as many joint-stock banks, apart from Colonial and Foreign ones. The question then is worth considering, whether it would not be advisable to follow the British precedents set in the last few years, by arranging for several of our smaller banks being absorbed by stronger institutions. The same movement is afoot in New York and we have heard of its probable extension to other cities in the States, where so many independent banks are a serious evil.

In the United States there were 9,732 independent joint-stock banks in 1899, whose average capital was only \$100,350. The field for bank amalgamation seems therefore very extensive in the States.

Only one British bank failed in 1899, Dumbell's, the capital of which was only \$245,000. The extent of the capital of the British banks at present, and movement since 1899, are shown below; the sterling being converted into currency at par:

U. K. Bonds.	Paid up May 1900.	Paid up May 1899.	In- crease
	\$	\$	\$
England & Wales.....	294,342,000	293,593,000	749,000
Scotland.....	45,353,000	45,353,000	0
Ireland.....	34,776,000	34,776,000	0
Isle of Man, &c.....	511,300	511,300	0
Total.....	374,982,300	374,233,300	749,000

The decrease in market value of stocks has extended to the banks of the three Kingdoms. In May, 1899, the average market value of the banking capital of Great Britain was 244 per cent. premium; at a recent

date the average was 236 per cent. premium. It is notable that the Scotch banks fell in that year from 236 to 226 per cent. premium, while those of Ireland declined only one point. The reduced market price of bank stocks recently in England is merely part of the general decline that has taken place in the Old Country in nearly all good securities.

The following table gives the total amount of the paid-up Capital, Deposits, of both classes, and Circulation of the different classes of banks doing business in the United Kingdom, the details of whose returns are periodically published in the "London Economist":

No. Class of Banks	Capital Paid up	Deposits and Circulation	
		Credit	Accounts
	\$	\$	\$
84 England & Wales.....	302,150,000	3,057,600,000	145,750,000
11 Scotland.....	45,353,000	523,680,000	39,380,000
9 Ireland.....	34,776,000	240,700,000	32,690,000
4 Isle of Man, &c.....	511,300	7,320,000	325,000
29 Colonial Banks, in London.....	178,810,000	806,760,000	44,950,000
24 Foreign Banks, in London.....	148,450,000	577,165,000	17,885,000
22 Private Banks.....	35,870,000	209,760,000	919,000

The assets of the same banks, as classified above, at close of 1899, were as follows:

No. Class Banks	Cash on hand or at Call.	Securities	Discounts and Advances.
84 England & Wales..	823,800,000	734,560,000	208,495,000
11 Scotland.....	123,566,000	152,345,000	302,195,000
9 Ireland.....	51,188,000	90,100,000	184,766,000
4 Isle of Man, &c....	944,500	3,700,000	4,125,000
29 Colonial Banks....	291,060,000	91,486,000	802,440,000
24 Foreign Banks....	172,690,000	84,255,000	781,600,000
22 Private Banks.....	53,100,000	60,860,000	110,784,000

The English banks have 3,837 branches; the Scotch, 1,071 branches; and the Irish, 589; making the total number of offices open in the United Kingdom of the joint-stock banks 5,497. The deposits at the latest date in the banks of the United Kingdom, separate from the Bank of England, and including that bank, as compared with their several amounts in May, 1899 and 1898 were as follows:

U. K. Banks	1898.	1889.	1898.	In. last year.
	\$	\$	\$	
Eng. & Wales	2,828,800,000	2,741,250,000	2,631,100,000	87,550,000
Bk. of Eng- land.....	243,100,000	216,890,000	248,200,000	26,210,000
Scotland.....	513,610,000	493,100,000	4,455,000	20,510,000
Ireland.....	240,695,000	229,486,000	218,621,000	11,209,000

The deposits in the British banks were advancing rapidly until late in 1899, when a considerable decline occurred. Probably this was owing to some marked extent to the general anxiety which prevailed as to the course of the war, as the banks were restricting loans, and deposits were, therefore, withdrawn for use in business. Still, despite the influences which tend to diminish deposits, we find there was a considerable addition made to these funds in the British banks between May, 1899 and May, 1900, and a considerable enlargement also of discounts and advances which indicated active business conditions. The War Loan must be taken into account as a cause of reduced deposits. The monetary situation in the old land, as shown by the bank statements for 1899, and partial returns up to this month, is decidedly gratifying, and everything points to the old land becoming exceedingly prosperous when the war cloud is dispersed—as it will be probably this month.