

NOVEMBER BANK STATEMENT.

	Nov. 19, '08.	Oct., '09.	Nov., '09.	Year's increase.	Month's inc. or dec.
Deposits on demand	\$206,315,809	\$250,968,487	\$264,285,803	+ 28.09	+ 5.3
Deposits after notice	419,920,274	480,837,606	493,253,823	+ 17.4	+ 2.5
Current loans in Canada	515,695,476	579,837,956	590,291,944	+ 14.4	+ 1.8
Current loans elsewhere	21,899,016	32,311,103	35,358,214	+ 61.4	+ 9.4
Call loans in Canada	42,930,261	56,996,065	57,875,677	+ 35.4	+ 1.5
Call loans elsewhere	85,220,634	129,964,353	134,836,591	+ 58.2	+ 3.7
Circulation	80,287,724	89,663,549	86,390,876	+ 7.6	- 3.6

The statements of the chartered banks during this year have made new and broken old records. For several months, large increases have been recorded, in deposits and loans more especially. The November statement helps the record. Deposits on demand and after notice, current and call loans in Canada and elsewhere and circulation all show extensive gains over the figures of 1908 and very satisfactory increases over those of October, 1909. The one exception is a slight decrease in circulation, owing possibly to less strain in connection with the crop movement.

Current loans attract most attention. The country cannot complain that its banks are neglecting its welfare. Current loans in Canada in November exhibited an increase over the previous month's figures of almost 11 million dollars, a gain of 1.8 per cent., and a gain of 14.4 per cent. over last year's figures. Call loans show an advance of 1 million during the month and of 15 millions during the year, percentage gains of 1.5 and 35.4, respectively. The loans out of Canada will probably evoke criticism. Those current exhibit an advance of almost 14 millions or 61 per cent. over last year's figures, and 3 millions or 9 per cent. above last month's return. A glance at the record of the individual banks is the best explanation, as it shows that five banks are responsible for 29 of a total of 35 millions. In the matter of call loans elsewhere than in the Dominion, a gain has occurred during the year of 49 millions or 58 per cent. and during the month, of 5 millions or 3 per cent. Here again an analysis of this item shows that one bank is responsible for 76½ millions of a total of 135 millions. Twelve of the active banks have no call loans whatever out of the country, while fourteen are in a similar position regarding current loans. The record of the one bank, which has 76½ millions loaned without Canada, is probably due to the fact that it has participated in the financing of several of the large industrial mergers consummated during the past few months. New York and London being much interested, this fact may have some bearing on that bank's loan total.

That credit in Canada has expanded considerably is seen in the following table:—

Loans.	Nov., '06.	Nov., '07.	Nov., '08.	Nov., '09.
Current in Canada	\$538,695,115	\$570,896,776	\$515,695,476	\$590,291,944
Current elsewhere	35,088,827	23,576,315	21,899,016	35,358,214
Call in Canada	56,440,834	45,733,765	42,730,261	57,875,677
Call elsewhere	66,919,335	41,198,293	85,220,634	134,836,591

Current loans in Canada were in November higher than in any year since 1906 at least. They were 20 millions more than in November, 1907, which was a high record. Call loans at home were also greater than in any November of the past four years. There is a tendency on the part of the banks to extend credit in a conservative way in order to keep pace with legitimate progress as reflected in deposits, bank clearings and railroad earnings. That the banks have faith in the outlook is evidenced by this credit extension, and also by the fact that several institutions have sought and are seeking power to increase their capital.

The following table shows the course of current and call loans in Canada for the past thirteen months:—

	1908.	Current in Canada.	Call in Canada.
November	\$515,695,476	\$42,730,261	
December	511,808,909	43,827,771	
1909.			
January	511,363,250	44,299,554	
February	507,349,748	47,555,140	
March	520,109,936	48,911,736	
April	524,168,988	50,213,950	
May	528,313,141	49,771,929	
June	535,212,269	52,617,696	
July	539,821,041	54,603,054	
August	543,154,663	56,680,172	
September	560,206,621	56,124,620	
October	579,837,956	56,996,065	
November	590,291,944	57,875,677	

For the past ten months, a gradual increase in the amount of current loans in Canada has occurred, while in the same period call loans show only two slight declines. From 511 millions in January, domestic loans have increased to 590 millions, a gain of 13 per cent. The November bank statement frequently has shown a decline in deposits, presumably for Christmas demands. This feature is lacking in the present statement, as deposits on demand exhibit a gain instead of a loss during the month of 5 per cent. and deposits after notice of 2 per cent.

The following table shows the trend of these accounts for the past thirteen months:—

	1908.	On demand.	After notice.
November	\$206,315,809	\$419,920,274	
December	210,180,147	429,719,218	
1909—January	193,286,465	443,170,532	
February	192,968,536	441,390,540	
March	200,843,984	445,626,884	
April	207,039,031	450,450,722	
May	216,916,294	453,599,117	
June	226,480,468	445,178,476	
July	222,555,749	466,337,816	
August	228,397,679	472,591,818	
September	239,967,052	474,103,799	
October	250,968,487	480,837,606	
November	264,285,803	493,253,823	

In that period, only two declines have occurred in deposits. The record is better seen in the following figures, showing the deposits accounts of each November for five years:—

	November.	On demand.	After notice.	Total.
1905	\$157,548,539	\$354,393,953	\$511,942,492	
1906	183,391,213	400,307,693	583,698,906	
1907	160,529,719	408,902,274	569,431,993	
1908	206,315,809	419,920,274	623,236,083	
1909	264,285,803	493,253,823	757,539,626	

Deposits after notice have increased from 354 millions in 1905 to 493 millions last month, a gain of 37 per cent. In the same period, deposits on demand have