from the point of view of banking profits, the 10 per cent. dividend and bonus of 2 per cent. have been earned. The profits of $2,108,631 (in comparison with $2,496,452) and equal to 6.6 p.c. on the capital and rest combined cover the dividend and bonus ($1,920,000) and war tax on note circulation ($127,-348), the balance of about $60,000 being added to the carry-over on profit and loss account, which now amounts to $1,293,953.

The coming twelve-months will doubtless present to the banks new difficulties to be encountered and problems to be solved. But the period can hardly be a more difficult one than that which has lately been passed through. The figures now presented by the Bank of Montreal show convincingly that the difficulties and problems of the past year have been admirably met, while the position of great strength now occupied enables the uncertain future to be faced with confidence.

GOLD SHIPMENTS TO CANADA.

Discussing the gold shipments from New York to Canada, which usually take place at this time of the year, a correspondent of the New York Journal of Commerce writes:—The reason for the November shipments to Canada lies in the fact that the heavy exports of Canadian grain begin in October; and in the course of a month or six weeks of the big outward movement the negotiation of the sterling bills in New York by Canadian banks swells their balances there to such proportions that they cannot sell their American exchange in Montreal and Toronto without submitting to a discount greater than the cost of bringing in the gold This year, too, on top of the Canadian exports of grain, there are the largely increased exports of Canadian manufactures—mostly munitions, etc.—to consider. Ordinarily these exports do not average more than $4,000,000 or $5,000,000 per month. Latterly they have amounted to from $10,000,000 to $12,000,000; and some authorities expect that they may this winter rise to $20,000,000 per month.

All this points to an increasingly favorable balance of payments for Canada. To some extent the surplus of exports will no doubt be used to increase the New York and London call loans of Canadian banks—thus making the banks ready to meet interest and other obligations at international centres. It is not thought that a very extensive movement of gold to Canada is likely. Ordinarily on importing gold a Canadian bank delivers it to the Dominion Treasury and takes Dominion notes in exchange. Now, Dominion notes are inconvertible, so this cannot be done. It is thought that if Canada takes gold it may be through merely "earmarking" coin in the vaults of New York banks; or it might be arranged that some gold at Ottawa destined for New York on London's account be diverted instead to the bank vaults in Montreal or Toronto.

It is now indicated as probable that the next British war loan will be a short-term issue on attractive terms which will appeal to foreign as well as English investors.

LIFE COMPANIES' SUBSCRIPTIONS TO THE WAR LOAN.

The matter of the subscriptions of the life insurance companies to the Dominion War Loan was taken up at the annual meeting of the Canadian Life Officers' Association, held in Toronto last Friday. Mr. T. B. Macaulay, the retiring president, announcing that subscriptions from the companies to the loan had been arranged for as follows:—

CANADIAN LIFE COMPANIES.

British Columbia Life	$ 20,000
Canada Life	1,500,000
Capital Life	18,500
Confederation Life	500,000
Continental Life	100,000
Crown Life	84,000
Dominion Life	115,000
Great West Life	1,000,000
Imperial Life	350,000
London Life	250,000
Manufacturers Life	400,000
Monarch Life	35,000
Mutual Life of Canada	850,000
National Life of Canada	150,000
North American Life	500,000
Northern Life	105,000
Sovereign Life	60,000
Sun Life	1,500,000
Travellers' Life of Canada	15,000
Total	$7,552,500

BRITISH LIFE COMPANIES.

Standard Life	$250,000
London & Lancashire Life & General	100,000
Royal	50,000
North British & Mercantile	50,000
Gresham	30,000
Total	$480,000

With reference to the British life companies, it must be remembered that these companies have previously subscribed very large amounts to British war loans and that further great demands upon them are likely to be made by the British Government at an early date.

OTHER COMPANIES' SUBSCRIPTIONS.

We are informed by Mr. H. M. Blackburn, manager for Canada, Norwich Union Fire, that this Company is subscribing $50,000 to the new Canadian War Loan.

The Insurance Company of North America, which has been transacting business in Canada for many years with Messrs. Robert Hampson & Son, Ltd., as chief agents, is subscribing $100,000 to the new War Loan.

It is notified also that the Aetna Life of Hartford, represented in Montreal by Messrs. T. H. Christmas & Sons, is subscribing $300,000 to the new loan.

The action of these American companies, both among the leaders in their respective spheres of business, will be particularly appreciated throughout the Dominion.

THE BANKS' SUBSCRIPTIONS.

It is understood that the banks have arranged to take one half of the loan—$25 millions—approximately in proportion to their paid-up capitals. As at September 30, the paid-up capitals of the banks was $113,984,870, so that $25 millions equals about 22 per cent. of their paid-up capitals. On this basis the subscription of the Bank of Montreal would be over $3,600,000, that of the Canadian Bank of Commerce, about $3,300,000, and so on proportionately.