FEBRUARY BANK STATEMENT

Deposits and Call Loans Declined — Domestic Credit Was Extended and Loaning Abroad Sharply Curtailed

	Feb., '09.	Jan., '10.	Feb., '10.	Inc. order. Month's	Increase Year's
Deposits on demand	$192,968,536	$238,423,785	$236,697,987	— 0.7	+ 22.6
Deposits after notice	441,390,540	508,207,804	507,307,733	— 0.1	+ 14.9
Current loans in Canada	507,349,748	590,984,344	602,454,539	+ 1.9	+ 18.7
Current loans elsewhere	35,055,266	37,865,549	42,403,784	+ 11.9	+ 20.9
Call loans in Canada	47,555,140	63,945,539	61,855,519	— 3.3	+ 30.07
Call loans elsewhere	101,443,902	127,934,880	120,374,681	— 5.9	+ 18.6
Circulation	67,348,359	73,378,676	74,686,443	+ 1.7	+ 10.8

One may draw several significant inferences from the February Bank statement. The outstanding features are deposits, withdrawals and credit curtailment. This would indicate not only business expansion but investment buying. Had only legitimate trade, commercial and manufacturing lines been extended, the loan account of our twenty-eight chartered banks would probably have looked different during last month. Possibly the investment phase has influenced marked extension credit and, in turn, real estate activity may partly account for the check which bankers have evidently placed upon the situation. This refers more particularly to Canada. Abroad the changes are drastic. Withdrawals from foreign agencies of Canadian banks amounted, during February, to nearly 10 million dollars, while call loans out of Canada exhibit a decline of 7 million dollars or 5.9 per cent. The only exception abroad is current loans, which gained 5 millions, or 11.9 during the month.

Withdrawal of Deposits

The Canadian situation shows a total withdrawal of deposits amounting to approximately 3 million dollars. The percentage decreases in deposits on demand and after notice being 0.7 and 0.1 respectively.

Credit extension at home is seen in current loans, which show a gain of 12 million dollars. or 1.9 per cent. This seems about commensurate with the period of commerical activity now being enjoyed. Despite these changes, the February statement shows large increases in every important item, when compared with the figures of the previous year. These gains range from 30 per cent. in the case of Canadian call loans to 10 per cent. in circulation.

Deposits Have Gained During Year

The following table shows the course of deposits for the past thirteen months:

	On demand.	After notice.
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
December	261,268,387	499,082,024
1910—January	238,423,785	508,207,804
February	236,697,987	507,307,733

Deposits on demand were lower in February than in any month since August. Deposits after notice have a better record being higher last month than at any period, with the exception of January, during the thirteen months under review. These latter deposits are generally regarded as the people's savings and if this is actually so, the statement is gratifying.

Course of Current Loans

The figures below illustrate that the banks have gradually extended credit to their clients during the past year.

1909—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	539,21,041	54,603,054
August	543,154,663	56,680,172
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
December	592,741,812	63,554,222
1910—January	590,984,344	63,945,539
February	602,454,539	61,855,519

Current domestic loans exhibit a gain in the year of 18.7 per cent. They showed an increase every month, with the exception of last January, when they declined 2 million dollars, while last month they increased 8 million dollars, bringing credit up to its highest point in thirteen months. Despite this fact, some had anticipated a larger growth in this item during February. Call loans have experienced almost a satisfactory gain, changing from 47 millions last year to 61 millions in February, 1910, with very few declines.

Record of Several Years

The following two tables show the record in loans and deposits for a series of years:

Loans	Feb. '07.	Feb. '08.	Feb. '09.	Feb. '10.
Current in Canada	$562,678,044	$541,252,019	$507,349,748	$602,454,539
Current elsewhere	34,615,133	21,351,575	35,055,266	42,403,784
Call in Canada	55,342,912	41,817,541	49,349,203	61,855,519
Call elsewhere	55,948,496	47,098,299	101,443,902	120,374,681

Deposits—

February	**On Demand**	**After Notice**	**Total**
1906	149,621,785	373,693,731	523,315,516
1907	168,482,383	406,307,052	574,789,435
1908	140,995,192	396,710,995	537,706,187
1909	192,968,536	441,390,540	634,359,076
1910	236,697,987	507,307,733	744,005,620

Forty-two Per Cent. Gain

Credit has been extended considerably, both at home and abroad. Current loans in Canada in four years have expanded by 40 millions and call loans by 6 millions. Loans out of the country have grown in the case of current by 8 millions, while call loans have more than doubled. Deposits have perhaps made the best record. the total in Canada having changed from 523 to 744 millions, a gain of 221 millions or 42 per cent.

ZWICKER & COMPANY TO REMAIN.

Some weeks ago, details of an amalgamation of Nova Scotia fish companies were given in these columns. It was stated that Messrs. Zwicker & Company, of Lunenburg, would enter the combine. The whole article was based upon information from what has hitherto invariably proved to be a reliable course, but an error was made in stating that Messrs. Zwicker were interested in this merger. This fact was briefly corrected in our issue of March 12th. The firm in question was established in 1789, since when it has been continuously in business. The business will be continued under the same name and style indefinitely. Although not connected with the merger, Messrs. Zwicker & Company have every reason to believe that their prosperity and substantial financial position will continue and be maintained. The error was annoying and we are glad to correct it.

Mr. Justice Osler, who recently announced his resignation from the Court of Appeals, has been appointed President of the Toronto General Trusts Corporation, succeeding Mr. John Hoskin, K.C., who resigned in February.

On Tuesday at Toronto Magistrate Kingsford committed Athol George Robertson, Joseph W. Gurofsky and Milton Worth de Lhorbe on a joint charge of conspiracy arising out of the promoting of The Canadian Eatables, Limited. Dr. W. C. Harriman stated that his name had been printed on the prospectus as vice-president and director without his permission. Some interesting evidence was given as to alleged false statements in the prospectus.