that Col. Roosevelt may think differently about the matter in the course of a few weeks, and that even if he does decide to persevere with the work he will have great difficulty in keeping his followers with him. In the meantime general conditions in the States are improving, but the stock markets are dead, being wholly taken up with the interesting political campaigns.

The money markets in Canada have become notably easier during the week. The banks quote 5 p.c. for call loans, but it is said that brokers have been securing funds at from 4½ to 4¾ p.c., from trust companies. This easing off in rates is ascribed to the heavy influx of British and foreign capital. The publication of the May bank statement disclosed the fact that the Canadian Bank of Commerce in particular had received in May an extraordinary amount in new deposit funds. Altogether its resources were increased by some $20,000,000, most of the increase being in the demand deposits or current account balances, which rose from $71,000,000 to $90,000,000. The new funds acquired by the Commerce were placed, up to the end of May, largely in the hands of London bankers and in call loans abroad. The bank's balances with banks in the United Kingdom increased by nearly $12,000,000—rising to $15,600,000—during May. This disposition of the funds leads to the presumption that the deposits were of a temporary nature and that the bank expected to be required to disburse the funds in a short time. Since the end of May the Commerce may have made disbursement of a part of these special funds; or the bank may have placed a portion at the disposal of the home money market. Either course might have had a tendency to create easier conditions in Montreal and Toronto. If disbursement of the funds was made in Canada the recipients may have placed a part at the disposal of the Montreal and Toronto brokers.

THE MAY BANK STATEMENT.

An interesting fact disclosed by the newly published bank statement is that last month for the first time deposits by the public in Canada went over one thousand millions of dollars. Their exact total at May 31 was $1,002,247,561 compared with $960,735,531 at April 30, and $860,993,354 on May 31 last year. So that in the twelve months there has been an increase of the deposits of the Canadian public with the banks of no less than $141,254,207. It may be noted that in the same period the banks' Canadian loans—call loans and discounts—increased by $139,784,177. These figures show the aptness of Sir Edmund Walker's description which we quoted last week, of the Canadian bank as "a great clearing house into which its deposits from all Canada pass and out of which its loans to all Canada are taken."

Apart from this passing of a notable milestone in the matter of the banks' deposits, the May statement contains several features of interest. Normally May is the month in which the banks begin to make their preparations against the coming of the harvest pressure later on in the year, and this again is the case in 1912. The banks secured last month a substantial increase in deposits. Demand deposits are up from $345,365,183 to $376,953,217 and notice deposits from $615,370,348 to $625,294,344—the aggregate increase in the Canadian public's deposits last month being thus well over $41,000,000. On the other hand, there was a drop of nearly $1,000,000 in the banks' Canadian call loans, which at May 31 were down to $68,305,157. This is a pretty obvious indication that a good deal of the money which during the last few weeks has been keeping the Stock Exchange pot so busily boiling has come from private lenders and not from the banks. Some of this money, it appears, is new foreign money. In Montreal, some call loans through trust companies are reported this week at 4½ per cent. It is estimated that there has recently come into Montreal about four million

COMPARATIVE STATEMENT OF RELATION OF BANKS' RESERVES TO IMMEDIATE LIABILITIES
(Compiled by The Chronicle.)

	May, 1912	April, 1912	May, 1911	May, 1910
LIABILITIES.	$	$	$	$
Dominion Government deposits	10,233,356	8,985,723	6,034,866	15,635,061
Provincial Government deposits	28,524,415	26,294,419	27,000,634	29,628 659
Deposits of the Public "demand"	376,953,217	345,365,183	298,784,266	256 651 635
Deposits of the Public "notice"	625,294,344	615,370,348	562,209,148	521,680,979
Deposits elsewhere than in Canada	77,874,540	85,679,238	69,442,818	80,489 233
Total deposits	1,118,879,872	1,081,694,911	963.471.672	907,085 567
Note Circulation	93,819,333	95,145,371	81,862,218	77.194.344
	1,212,699,205	1,176,840,282	1,045,333,890	984,279 911
*Less notes and cheques other Canadian banks held	61,528,682	59,039,941	48,289,605	38,521 204
Net Liability	1,151,170,523	1,117,800,341	997,044 285	945,758,707
AVAILABLE ASSETS.				
Specie and Dominion Notes	132,054,634	133,095,305	118,468,842	103,923,333
Net foreign bank balances	45,883,946	34,684,125	48,547,127	32,157,104
Foreign call loans	115,832,736	103,558,392	88,745,080	125,480 266
	293,771,316	271,337,822	255,761,049	261,560,703
Percentage of Liability	25.52	24.27	25.65	27.66

*This item is deducted because it represents obligations of the banks held by themselves.