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Banking Results in 1918

Profits of Eleven Banks Reported so Far Show an Increase of \$1,300,000 Compared With 1917—Business as Represented by Assets Shows Increase of \$472,000,000 or 20%—Dividend Rates Have All Been Maintained and in Some Cases Increased

THE year 1918 witnessed an amazing expansion in most branches of the banking business but the increased expenses of management and the services which the banks provided for the government at less than cost prevented a corresponding increase in profits. All of the nineteen Canadian banks have not as yet reported their profits, as in some cases the financial year does not end until March or April. There are eleven, however, whose financial years have ended since October last and the profits of these are given in the statement below together with the profits for 1917.

Net Profits.

	1917	1918
Bank of Montreal	\$ 2,477,969	\$ 2,562,720
Bank of Nova Scotia	1,295,315	1,411,925
Bank of Toronto	802,920	844,402
Molsons Bank	615,514	712,485
Union Bank of Canada	763,463	824,174
Canadian Bank of Commerce	2,637,555	2,850,318
Royal Bank of Canada	2,327,979	2,809,846
Dominion Bank	1,005,062	1,086,498
Standard Bank of Canada	649,546	697,443
Banque d'Hochelaga	565,433	595,187
Bank of Ottawa	616,238	645,437
Totals	\$13,756,994	\$15,040,435

Every bank, it will be observed, shows an increase. The profits of the Bank of Montreal were about four per cent. higher; those of the Bank of Nova Scotia increased about nine per cent. and in the case of the other banks the increases were approximately as follows:—

Bank of Toronto, five per cent.; Molsons, 16 per cent.; Union, eight per cent.; Commerce, eight per cent.; Royal, 20 per cent.; Dominion, eight per cent.; Standard, eight per cent.; Hochelaga, six per cent.; Ottawa, six per cent.

The business, however, as indicated by the total assets as at December 31st, compared with December 31st, 1917, increased by \$472,000,000 or over 20 per cent. The year 1917 saw an increase of \$381,000,000 or somewhat less than 20 per cent.

Total Assets (as at December 31).

	1916	1917	1918
Montreal	\$ 358,868,861	\$ 396,475,789	\$ 536,900,339
Nova Scotia ...	116,621,727	138,297,245	161,329,703
Toronto	71,968,283	83,604,059	94,357,645
Molsons	60,128,553	69,658,877	81,551,579
Nationale ...	32,782,802	40,738,027	46,576,480
Merchants	108,010,610	137,696,778	170,424,815
Provinciale ...	18,414,464	21,670,995	24,358,340
Union	107,775,773	142,497,372	141,694,937
Commerce	282,519,702	342,051,565	422,229,276
Royal	251,548,374	335,270,501	422,809,182

	1916	1917	1918
Dominion	\$ 92,866,692	\$ 109,436,145	\$ 133,506,274
Hamilton	55,446,326	68,229,207	79,936,755
Standard	59,207,499	72,824,402	85,040,217
Hochelaga	42,389,049	51,932,373	57,893,560
Ottawa	56,249,223	63,855,289	67,696,341
Imperial	85,174,041	99,099,442	111,644,341
Home	21,030,353	23,369,194	28,270,766
Sterling	12,235,821	15,536,690	19,084,723
Weyburn	2,961,161	4,008,805	4,529,908

\$1,836,198,344 \$2,217,252,755 \$2,689,835,181

There was a constant demand for money throughout the year and interest rates were high, whereas the amount paid to depositors was the usual three per cent. The banks were called upon to assist many municipalities temporarily over the period during which the Victory Loan was floated, and also on account of extensive tax arrears in many cases.

The increase in bank profits has been followed by some raises in dividend rates. The Bank of Toronto some weeks ago increased its rate from 11 per cent. to 12 per cent. and now the Molsons Bank, which made a particularly good profit during the year, makes a similar increase in rate. The Bank of Nova Scotia whose profits were exceptionally good has also announced a 16 per cent. dividend basis in place of 14 per cent.

The Royal Bank, whose increase in profits was the greatest proportionally of all the Canadian banks, still remains upon a 12 per cent basis.

The following are the present dividend rates of all the Canadian banks:—

Dividends.

Bank of Montreal	10 + 2
Bank of Nova Scotia	16
Bank of Toronto	12
Molsons Bank	12
Banque Nationale	9
Merchants Bank of Canada	10
Banque Provinciale du Canada	7
Union Bank of Canada	8 + 1
Canadian Bank of Commerce	12
Royal Bank of Canada	12
Dominion Bank	12
Bank of Hamilton	12
Standard Bank of Canada	13
Banque d'Hochelaga	9
Bank of Ottawa	12
Imperial Bank of Canada	12
Home Bank of Canada	5
Sterling Bank of Canada	6
Weyburn Security Bank	5