

factory feature is another substantial advance in home deposits, which at the end of last month reached \$887,763,215, an advance of more than \$13,000,000 upon the month. Notice deposits, partly savings, and sometimes temporary deposits of new foreign capital in connection with investment operations, account for \$6,000,000 of this advance and demand deposits for the other \$7,000,000. These latter would, of course, be swelled considerably by the advance in the Canadian loans of the banks. Canadian call and short loans increased during the month by practically \$4,000,000 to \$65,339,288, while the existing trade activity has called for an additional \$6,000,000 in current loans bringing up their total to \$723,765,358, \$70,000,000 more than in July, 1910, and an advance of more than \$180,000,000 upon the July, 1909, total. While thus lending freely at home during last month, the banks also extended their foreign investments considerably, foreign call loans being added to by above \$6,000,000. At the same time the amount of the banks' security holdings was reduced somewhat. The net foreign investment of the banks was practically at the end of last month on the same level as in July last year, as is shown by the following table:—

	July 31, 1911.	June 30, 1911.	July 31, 1910.
Due by Banks in U. K. . . .	\$23,729,609	\$22,041,297	\$23,717,801
Due by Banks in other countries	32,682,674	32,165,669	31,204,927
Foreign call loans	104,009,030	97,865,400	102,436,037
Foreign current loans	32,870,114	33,557,617	40,267,390
	\$193,291,427	\$185,629,983	\$197,626,155

Due to Banks in U. K. . . .	\$2,960,334	\$2,539,193	\$4,637,018
Due to Banks in other countries	4,017,054	4,210,295	4,256,120
Foreign deposits	73,120,807	77,721,948	75,275,300
	\$80,098,195	\$84,471,436	\$84,168,438

*Net investments abroad. \$113,193,232 \$101,158,547 \$113,457,717

*Apart from investments in foreign bonds, debentures, etc.

This new foreign investment has led to a perceptible strengthening in the banks' reserve position, the proportion of available assets to immediate liabilities being raised to 26.54 p.c. against 25.98 p.c. in June, last month's level being practically the same as in July, 1910.

If the labor unrest in Great Britain and the tendency to strike for higher wages and shorter hours should accomplish the purpose that seems to be aimed at, it would result in increased cost of production, transportation and general handling of merchandise. This would be likely to affect British exports and might do so to a perceptible extent. This would be calculated somewhat to benefit American export trade.—N. Y. Journal of Commerce.

A curious commentary upon the American banking system is the fact that settled parts of Montana are now without banking facilities owing to the State having passed a law requiring banks to organize with a capital of at least \$20,000. In one instance, there is a tract of ninety miles without a bank, although since the territory began to be settled at least fifteen banks have been started. The new law has closed many banks.

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

	July, 1911	June, 1911	July, 1910	July, 1909
LIABILITIES.				
Dominion Government deposits.....	\$ 4,883,900	\$ 7,207,015	\$ 9,638,933	\$ 2,996,696
Provincial Government deposits.....	30,849,513	27,796,876	32,175,484	19,126,559
Deposits of the Public "demand".....	316,973,780	309,804,854	251,638,522	222,555,749
Deposits of the Public "notice".....	570,789,435	564,867,554	538,384,371	466,337,816
Deposits elsewhere than in Canada.....	73,120,807	77,721,948	75,275,300	64,515,365
Total deposits.....	996,617,435	987,398,247	907,112,610	775,532,185
Note Circulation.....	89,018,079	88,618,699	80,929,290	71,006,005
	1,085,635,514	1,076,016,946	988,041,900	846,528,190
*Less notes and cheques other Canadian banks held.....	49,418,747	53,415,678	36,850,907	23,833,139
Net Liability.....	1,036,216,767	1,022,601,268	951,190,993	817,705,051
AVAILABLE ASSETS.				
Specie and legals.....	121,518,144	120,390,469	104,157,627	92,346,600
Net foreign bank balances.....	49,434,895	47,457,478	46,029,590	39,632,359
Foreign call loans.....	104,009,030	97,865,400	102,436,037	114,685,537
	274,962,069	265,713,347	252,623,254	246,664,496
Percentage of Liability.....	26.54	25.98	26.56	30.17

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