

ities and on stocks bought for control of large corporations.

January is always a month of contraction of bank liabilities in Canada, and whenever trade is good and healthy the January contraction is followed by a considerable demand for mercantile loans early in the spring. There is no doubt that 1911 will see a very extensive increase of the wheat area of Western Canada if climatic conditions are favorable during seeding time. Also the immigration officials have been telling us that we may receive half-a-million of new population in 1911. These are two circumstances which must tend strongly towards the continuation of prosperity. And there are several other factors working in the same direction. So it seems likely enough, if Canada is fortunate enough to escape accidents (financial or commercial) that there will be a keen demand for all the loans the banks can make.

As it appears that the process of placing Canadian securities in London will have to be carefully regulated until that market gets in better shape for taking new propositions, it seems clear enough that it is the duty of the banks to abstain for the present from lending support to further schemes of merging industries or of gaining control of corporations, and also to gradually extricate themselves from their present commitments of that kind. No doubt the best banks have been engaged in clearing their decks of these encumbrances.

CANADA'S CIRCULATING MEDIUM.

In the case of Canada it is possible to trace almost exactly the fluctuations in the amount of circulating medium required for carrying on the general business of the country. The United States and most of the European countries have

Fluctuations of Canada's Circulating Medium in 1909 and 1910

(Exclusive to The Chronicle).

	1909			1910		
	OUTSTANDING	HELD BY BANKS	HELD BY PUBLIC	OUTSTANDING	HELD BY BANKS	HELD BY PUBLIC
January	\$65,819,067	\$5,179,317	\$60,639,750	\$73,378,676	\$6,439,882	\$66,938,794
February	67,348,359	5,276,028	62,072,331	74,646,443	6,427,646	68,258,797
March	68,708,458	5,228,807	63,479,651	78,265,822	7,131,847	71,133,975
April	67,266,664	4,957,009	62,309,655	78,776,228	7,644,691	71,132,137
May	68,593,229	6,488,083	62,105,146	77,194,344	6,847,610	70,346,734
June	70,170,491	5,839,633	64,330,858	79,781,631	7,022,049	72,759,582
July	71,006,005	6,120,424	64,885,581	80,929,290	7,320,239	73,609,051
August	71,847,532	6,325,646	65,521,886	81,321,439	6,765,571	74,555,868
September	79,207,441	6,586,723	72,620,718	87,256,332	7,730,510	79,525,822
October	89,633,549	8,206,214	81,427,335	95,992,866	8,159,006	87,833,860
November	86,390,876	7,758,745	78,632,131	90,165,730	7,823,516	82,342,214
December	81,325,732	7,182,639	74,143,093	—	—	—

GOVERNMENT NOTES						
January	\$79,283,476	\$67,115,660	\$12,167,816	\$87,257,833	\$73,974,296	\$13,283,538
February	79,319,453	67,269,625	12,049,828	87,232,017	74,076,167	13,155,850
March	79,351,080	67,065,716	12,285,364	87,134,068	74,369,740	12,764,328
April	79,017,936	66,701,804	12,316,132	87,063,361	72,353,504	14,709,857
May	79,043,138	66,547,255	12,495,883	89,347,796	76,011,635	13,336,161
June	79,005,309	66,169,620	12,835,680	89,285,728	74,349,615	14,936,083
July	79,023,965	65,616,602	13,407,363	90,107,362	75,216,315	14,891,047
August	79,188,362	65,313,074	13,875,288	91,329,552	77,215,840	14,113,712
September	80,456,391	66,924,455	13,531,936	92,119,996	76,695,936	15,424,060
October	83,051,822	68,311,633	14,740,189	92,145,478	76,646,364	15,499,114
November	85,783,164	71,510,601	14,272,563	91,796,727	76,970,214	14,826,513
December	86,944,843	73,226,789	13,759,054	—	—	—

BANK AND GOVERNMENT NOTES HELD BY PUBLIC

	BANK NOTES	GOVERNMENT NOTES	TOTAL	BANK NOTES	GOVERNMENT NOTES	TOTAL
January	\$60,639,750	\$12,167,816	\$72,807,566	\$66,938,794	\$13,283,538	\$80,222,332
February	62,072,331	12,049,828	74,122,159	68,258,797	13,155,850	81,414,647
March	63,479,651	12,285,364	75,765,015	71,133,975	12,764,328	83,898,303
April	62,309,655	12,316,132	74,625,787	71,132,137	14,709,857	85,841,994
May	62,105,146	12,495,883	74,601,029	70,346,734	13,336,161	83,682,895
June	64,330,858	12,835,680	77,166,538	72,759,582	14,936,083	87,695,665
July	64,885,581	13,407,363	78,292,944	73,609,051	14,891,047	88,500,098
August	65,521,886	13,875,288	79,397,174	74,555,868	14,113,712	88,669,580
September	72,620,718	13,531,936	86,152,654	79,525,822	15,424,060	94,949,882
October	81,427,335	14,740,189	96,167,524	87,833,860	15,499,114	103,332,974
November	78,632,131	14,272,563	92,906,694	82,342,214	14,826,513	97,168,727
December	74,143,093	13,759,054	87,902,147	—	—	—