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THE FEBRUARY BANK STATEMENT.

The deposits of the public in the Canadian banks show a satisfactory recovery for the month of February, after their sudden decline in January owing to the payment of subscriptions to the Dominion War Loan. Growth is the more marked in the case of the notice deposits, which record a new high level of \$728,242,609, a gain during February of \$13,978,123. The gain in demand deposits is \$2,822,741 to \$389,825,667. The advance for the month in both classes of deposits is thus nearly \$16 millions, a figure which is the more satisfactory in view of the fact that instalments paid up on the War Loan during February approximated about ten millions. It is to be expected that the substantial gain in deposits recorded last month will be the precursor of further large advances in the totals of the banks' deposits during the current year. The new borrowing in New York, and the marketing of the balance of last year's crops, together with the continued manufacture of munitions should have a notable effect in this connection.

DECLINE IN GOVERNMENT BALANCES.

Apart from this gain in public deposits, the movements indicated by the February statement are not particularly striking. The Dominion Government's balances slid down rather rapidly during the month by about \$17 millions to \$48,451,647 and there was also a falling off in the foreign deposits of nearly \$4 millions to \$116,675,028. Circulation shows an expansion of \$21-2 millions to \$113,528,237 and another indication of a picking-up of commercial activity is to be found in a gain of \$2,372,689 in Canadian current loans and discounts. Canadian call loans are down \$635,534 to \$81,949,125. Call loans outside Canada expanded to the high figure of \$139,138,651. There is a decrease of nearly \$6 millions in foreign current loans.

NEW YORK BALANCES AT HIGH LEVEL.

At the end of February, the banks' New York

balances stood at the exceptionally high figure of \$70,999,213, or more than double their total a year previously. The effect of the new loan and of the exportation of the balance of last year's crops will be, of course, considerably to increase these balances. But it is thought in some quarters that they will soon be heavily drawn upon in connection with the financing by the banks of the Imperial Munitions Board.

The banks' security holdings continue to increase, considerable additions amounting to over \$3 millions, having been made during February to investments in Canadian municipal and foreign public securities.

During last month, the banks' high standard of reserves was fully maintained. Immediately available reserves of specie and Dominion notes, deposits in the Central Gold Reserve and to secure the note issues, net bank balances abroad and foreign call loans, at the end of February were in the proportion of 31.8 per cent. to the note circulation and deposits of all kinds, this being the same proportion as at the end of January.

MR. H. A. RICHARDSON ON WEST INDIES TRADE.

Mr. H. A. Richardson, general manager of the Bank of Nova Scotia, has returned from a tour of inspection of the Bank's branches in the West Indies on which tour he was accompanied by two of the Bank's directors and by Mr. W. P. Hunt, manager at Montreal. Mr. Richardson states that Cuba is at present enjoying great prosperity, having had a trade balance in her favor last year of over \$87 millions while this year it will be over \$100 millions. It is on sugar particularly that the present prosperity of the Island is based.

"Jamaica, in which we as Canadians are naturally more interested, possesses great possibilities, but is handicapped somewhat by lack of capital," says Mr. Richardson. "It would be greatly in the interests of the two countries if we had a trade agent stationed permanently at Kingston, with quarters sufficiently large for a representative exhibit of Canadian goods. When the steamship situation becomes normal it will be necessary also to improve the transportation facilities between Jamaica and the Atlantic ports if we are to reap the advantage of the very considerable trade possibilities which are in sight. In addition to high prices for her other products, Jamaica has profited considerably owing to the falling off in the world's supply of dyes. Logwood, which of late years has been slow of sale at £2 10s. a ton, is now in active demand at £6 and upwards per ton, and, of course, Jamaica is profiting largely by high prices for sugar and rum.

"They are as keen and active in their desire to aid the mother country in the war as we are," says Mr. Richardson. "They have sent several thousand native troops, and are steadily preparing further drafts of men. The negroes are of fine physique, pronounced in their loyalty and make first-class fighting men."