yet wish to largely increase their loans there is somewhat less difficulty in negotiating advances.

Call money in London is 1 p.c.; short bills are 2⅜ p.c.; three months bills, 2⅜ p.c. With reference to European rates generally it is well known that London is the only market in which any active business is done and in which the rates express at all accurately the real conditions. In the other European markets the rates are nominal and entirely dependent on the bank rate. Bank of England rate is held at 5 p.c.; the Bank of France and the Imperial Bank of Germany also quote 5.

NEW YORK POSITION.

Call loans in New York ranged from 2½ to 2¾ p.c., most of the business being at the higher level. Owing to increasing supply, time money rates receded somewhat. Rates are 3¾ p.c. for 60 days; 3¾ p.c. for 90 days; and 4 p.c. for the longer maturities. The foreign exchange market in London continues weak—demand sterling sold down below 4.85 early in the week. This is taken as an indication that the Americans will shortly be able to recover some of the gold which they sent to Ottawa recently. It is interesting to note that Reichsmarks (or exchange on Germany) continue at a heavy discount, cables selling at less than 88. This is accepted as reflecting the actual depreciation of the German paper currency.

The Saturday bank statement, in case of all members of the New York clearing house, showed loan expansion of $12,400,000, increase of $4,000,000 in aggregate reserves, increase of $42,000,000 in net demand deposits, decrease of $4,000,000 in bank note circulation, and decrease of $3,000,000 in excess reserve. The Federal Reserve Bank at New York continues to show shrinking re-discounts—on 19th December it had nearly a million dollars in re-discounts but on December 31st, the amount had fallen to $278,000. Consequently the whole amount of the capital and deposits is as yet practically carried in the form of actual cash.

BANKS' NEW YORK CALL LOANS.

It is pointed out by a Montreal correspondent that liquidation of the Canadian banks' call loans in New York and London amounted to $63,000,000 between June 30 and November 30. In the same time the Canadian call loans, which, of course, are based on collateral having a more restricted market, did not prove susceptible to realization at all—the amount outstanding on June 30 was $67,400,000 and at the end of November it had risen to $68,400,000.

This circumstance, says the correspondent, must necessarily go far to convince the Canadian bankers of the advisability of in the future carrying large amounts of their reserves in this form, and it may be assumed that as soon as normal conditions are restored there will be a very considerable increase in the amount of Canadian loans to Wall Street. To show how abnormally low the aggregate of these outside loans stands at the present time, it is only necessary to state that the balance—$74,400,000—is lower than any shown at any time in the last six years. One has to go back to 1908 to find a balance smaller than that of November 30 last.

UNION BANK'S STATEMENT.

The Union Bank of Canada, founded at Quebec in 1864, has now completed a full half-century of banking operations, its fiftieth annual report having been presented at the annual meeting held on Wednesday in Winnipeg, to which city its headquarters were transferred in 1912. This institution is perhaps more closely connected with western Canada than any other of the larger Canadian banks, the majority of its 358 branches being located west of the Lakes. In view of the comparative business quiet which prevailed during a considerable portion of 1914, it appears to have done excellently in regards to profits. These are declared as $712,440 against $750,095 in 1913, but an advance upon those of 1912. The 8 per cent. dividend plus a bonus to shareholders of 1 per cent. absorbs $450,000; $215,000 is reserved for depreciation in securities; $25,000 is contributed to the Canadian Patriotic Fund and $10,000 to the Officers' Pension Fund, leaving an increased balance of $103,019 to be carried forward.

THE BANK'S BALANCE SHEET.

The following table shows the leading items of the bank's balance sheet in comparison with last year:—

	1914.	1913.
Capital Stock	$ 5,000,000	$ 5,000,000
Rest	3,400,000	3,400,000
Circulation	6,382,214	6,287,179
Deposits (not bearing interest) ..	17,578,733	19,038,076
Deposits (bearing interest)	45,867,181	45,557,212
Total Liabilities to Public.	72,905,762	72,122,625
Specie and Legals..	†7,110,667	*7,266,831
Call loans	7,030,415	11,859,650
Total of Quick Assets	26,449,540	27,655,780
Current loans and discounts	51,339,120	48,439,442
Total Assets	81,561,850	80,766,532

* Plus $1,300,000 deposit in Central Gold Reserve.
† Plus $1,700,000 deposit in Central Gold Reserve.

While non-interest bearing deposits show a slight falling-off, the volume of interest-bearing deposits has been fully maintained. A reduction of nearly $5,000,000 has been made in call loans, $4,700,000 of this being a reduction in call loans abroad. A notable gain of three millions in commercial loans to $51,339,120 is shown. In Canadian commercial loans only there was an actual advance of over $4,000,000, showing that the Bank has continued to meet the needs of trade and commerce throughout a trying period. Cash holdings, including the deposit in the Central Gold Reserve are about $250,000 higher than last year. Quick assets are in the proportion of 36.3 per cent. to liabilities to the public, so that the Bank is in a strong and comfortable position.

Mr. Norman W. Hancock, of Galt, Ont., has been appointed chief claims officer and solicitor for the Workmen's Compensation Board of Ontario.

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Mr. S. N. Richards, superintendent of the Liverpool & London & Globe at Winnipeg, spent a few days in Montreal recently visiting the Head Office for Canada.

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Mr. Theodore Meunier, managing director of the British Colonial Fire Insurance Company, accompanied by Mr. J. B. Morrisette, vice-president, is leaving tonight for the West. During the visit a branch office will be opened at Brandon, Man. Mr. Meunier reports a large increase in premium income for 1914, with a most satisfactory loss ratio.