THE ROYAL BANK'S REPORT.

The growth and development of the Royal Bank of Canada constitute one of the most remarkable features of recent Canadian banking history. As recently as 1908—eight years ago—the total assets of the Royal Bank were only slightly in excess of $50,000,000; at the present time they are well over $250,000,000 and will shortly receive a further substantial addition as a result of the recent arrangement for taking over the Quebec Bank. In part, of course, the growth of the Royal Bank has been due to the absorption of other banking businesses not only in Canada but also in the West Indies and Central America. But it is also largely on account of natural development as a result of public confidence in the Bank's management. The Bank is now exceptionally well placed in regard to territory, since its organisation is not only complete throughout Canada, but the Bank occupies a prominent position in the West Indies and the adjacent mainland, where development of the Bank's branch system is steadily going on.

LARGE GROWTH IN RESOURCES.

The striking results now announced for the fiscal year ended November 30th last were doubtless contributed to by all sections of the Bank's territory. It is well known that the war has resulted in great activity and prosperity in the West Indies, particularly in the sugar industry. The figures of the present balance sheet are very striking when set forth, as in the annexed table, in comparison with those of the two previous years:—

	1916. $	1915. $	1914. $
Capital Paid up	12,000,000	11,560,000	11,560,000
Reserve	12,560,000	12,560,000	12,560,000
Circulation	18,178,228	14,224,866	13,505,255
Deposits (not bearing interest)	59,365,396	37,456,997	31,224,130
Deposits (bearing interest)	140,862,199	117,519,331	104,827,079
Total Liabilities to Public	227,484,470	173,148,928	154,319,273
Specie	16,072,763	15,946,290	12,995,484
Dominion Notes	14,249,110	12,977,391	12,688,371
Central Gold Reserve	6,500,000	3,000,000	2,000,000
Bank Balances Abroad	5,092,067	5,235,607	3,144,502
Call Loans in Canada	11,076,006	9,136,510	8,574,058
Call Loans Abroad	21,372,026	9,815,950	6,080,847
Securities held	30,506,068	18,629,042	16,901,372
Total of Quick Assets	121,127,664	84,894,462	71,244,678
Current Loans and Discounts	124,864,658	106,552,334	99,588,461
Total Assets	253,261,427	198,299,123	179,404,054

The growth in deposits is notably large, even under present circumstances of expansion of banking resources. The increase during the year was fully $45,000,000, about equally shared by the two classes of deposits. Non-interest bearing deposits rose by practically $22,000,000 from $37,456,997 to $59,365,396 and deposits bearing interest from $117,519,331 to $140,862,199 or by over $23,000,000. It is understood that these large advances in deposits are solely the result of general business and are not accounted for by any special deposits. Circulation also shows a very substantial increase of nearly $4,000,000 to $18,178,228, the excess over the Bank's paid up capital being covered by a deposit of $6,500,000 in the Central Gold Reserve.

ADVANCE IN LIQUID ASSETS.

The bulk of the increase in deposits has been retained in readily available form among the liquid assets. Cash holdings show a growth of about $1,300,000 to $30,321,873; and the deposit in the Central Gold Reserve has been more than doubled —$6,500,000 against $3,000,000. Bank balances abroad are slightly less than a year ago, but call loans abroad have been very largely increased, being reported as $21,372,026 against $9,815,950. Canadian call loans are nearly $2,000,000 higher at $11,076,006. Security holdings have also naturally been largely augmented through the Bank's participation in credits to the Imperial Munitions Board, the total holdings being now reported as $30,506,068 against $18,629,042 a year ago. These increases make the Bank's total of quick assets, including Canadian call loans, $121,127,664 a proportion to liabilities to the public (which are $227,484,470), of 53.3 per cent. This compares with quick assets in 1915 of $84,894,462, liabilities to the public of $173,148,928 and a proportion of 49.0 per cent.

The Bank's current loans and discounts show a substantial increase of over $18,000,000 from $106,552,334 to $124,864,658. The main advance in these loans has been abroad, for while Canadian current loans show growth from $82,004,872 to $86,936,631, foreign current loans have increased from $24,547,763 to $37,928,027—an indication of the extent of the activity in the Bank's West Indian business.

INCREASED PROFITS.

Profits for the year show the substantial growth of over $200,000, being $2,111,308 against $1,905,576 in 1915, and equal to 8.9 per cent. upon the paid-up capital and rest combined against 7.9 per cent. last year. With a balance brought forward from 1915 of $676,472, the total available on profit and loss account is $2,787,780. The 12 per cent. dividend absorbs $1,417,207; $100,000 is transferred to the officers' pension fund; $250,000 written off bank premises; $50,000 contributed to the Canadian Patriotic Fund; $118,227 absorbed by the war tax on note circulation and the increased balance of $852,346 is carried forward.

The whole statement is highly favorable, and doubtless at the annual meeting, which is fixed for January 11, Mr. Edson L. Pease, the Bank's managing director, and Mr. C. E. Neill, the general manager, will be warmly congratulated upon the results achieved.

NEW MUNITIONS CREDIT.

It is understood that in January the banks will advance an additional $25,000,000 to the Dominion Government on behalf of the Imperial Government for expenditure on munitions. This new credit will undoubtedly be followed by others in due course.

The directors of the Metropolitan Life Insurance Company distributed a Christmas bonus amounting to $125,000 to home office employees whose salaries are $2,000 or less. About 3,500 men and women shared in the distribution.

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Business reverses may come, investments supposed to be safe and conservative may fail, but nothing can defeat the provision which you may have made for your family, or for your own old age, through an old established legal reserve life insurance company, provided you have paid your premiums as required.—*Mutual Life of N. Y.*