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EVENING PAPERS .. FRIDAY, 11th FEBRUARY, 1938.
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BANKING STATISTICS - NO. 22.
QUARTER ENDED DECEMBER, 1937.

1. The Commonwealth Statistician (Dr. Roland Wilson) has made available particulars of the Average Liabilities and Assets within the Commonwealth of Australia of the Commonwealth and Other Cheque-paying Banks for the December quarter of 1937.

2. Average Liabilities and Assets in Australia. (a) December Quarters, 1936 and 1937. The following table shows the average Liabilities and Assets in Australia of all Cheque-paying Banks for the December quarter of the years 1936 and 1937. The figures represent the average of the thirteen weekly statements in the quarters referred to.

In the December, 1937 quarter a change was made by the Commonwealth Bank in the form of statement of its quarterly averages. "Short-term Loans in Australia" are no longer separately stated. "Treasury Bills" are added to "Government and Municipal Securities", and other short-term loans (not secured by Treasury Bills) are added to "Discounts, Advances etc." In the aggregated statements for previous quarters the whole of the "Short-term Loans in Australia" (less "set-off accounts") were included with "Government and Municipal Securities". In the aggregated figures for the December quarter, 1937 given below only "Treasury Bills" are so included, other short-term loans (less "set-off accounts") now being included with "Discounts, Advances, etc." Retrospective information is being secured which will enable the two series in question to be placed on a strictly comparable basis in future aggregated statements.

Comparisons of the figures for the earlier quarters with those for December, 1937 Quarter as shown in this paragraph and paragraphs 2(b) and 4 must be made with this reservation.

AVERAGE LIABILITIES IN AUSTRALIA (£'000).

Particulars	Average for the quarters ended -				
	December, 1936			December, 1937	
	Common- wealth Bank	Other Cheque- paying Banks	Total	Common- wealth Bank	Other Cheque- paying Banks Total
Notes in circulation ..	-	167	167	-	167
Bills in circulation ..	261	2,977	3,238	289	2,999
Balance due to other Banks	17,738	1,451	19,189	24,449	1,847
Deposits -					
Not bearing interest	(a)16,436	111,698	128,134	(a)17,360	122,640
Bearing interest ..	34,283	186,455	220,738	41,199	198,431
<u>TOTAL LIABILITIES</u> <u>IN AUSTRALIA:</u>	(a)68,718	302,748	371,466	(a)83,297	326,084
					409,381

(a) Government "Set-off" Accounts, interstate, deducted.

/AVERAGE ASSETS

AVERAGE ASSETS IN AUSTRALIA (£'000) (f)

Particulars	Average for the quarters ended -					
	December, 1936			December, 1937		
	Common-wealth Bank	Other Cheque-paying Banks	Total	Common-wealth Bank	Other Cheque-paying Banks	Total
Coin	689	1,741	2,430	651	1,820	2,471
Bullion	372	363	735	378	612	990
Australian Notes ..	4,310	(b)29,777	34,087	4,176	(b)36,536	40,712
Government and Municipal Securities ..	(c)45,360	42,772	88,132	(e)41,646	45,792	87,438
Landed and House Property	771	9,323	10,094	733	9,835	10,568
Balances due from Other Banks (d) ..	120	2,926	3,046	113	3,306	3,419
Notes and Bills of Other Banks ..	42	2,227	2,269	41	2,291	2,332
Discounts, Advances and all Other Assets ..	9,879	287,638	297,517	(f)12,705	295,730	308,435
TOTAL ASSETS IN AUSTRALIA:	61,543	376,767	438,310	60,443	395,922	456,365

(b) Includes Cash with Commonwealth Bank. (c) Includes Treasury Bills and certain short-term loans in Australia less Government "set-off" accounts, Interstate. See letter-press above. (d) Exclusive of cash with Commonwealth Bank. (e) Includes Treasury Bills. (f) Includes certain short-term loans other than Treasury Bills (less Government "set-off" accounts). See letter-press above. (g) See para. 3.

(b) Quarters, December, 1936 to December, 1937. The following table shows the average Liabilities and Assets in Australia of all Cheque-paying Banks.

AVERAGE LIABILITIES IN AUSTRALIA (£'000).

Particulars	Bank	Average for the Quarters ended -				
		December 1936	March 1937	June 1937	September 1937	December 1937
Notes and bills in circulation ..	C'wealth	261	250	274	255	289
	Other	3,144	3,202	2,949	2,898	3,166
Balances due to other Banks ..	C'wealth	17,738	23,696	24,459	23,094	24,449
	Other	1,451	2,195	2,255	1,818	1,847
Deposits -						
Not bearing interest	C'wealth(d)	16,436	14,977	16,535	15,244	17,360
	Other	111,698	121,755	121,368	116,570	122,640
Bearing interest ..	C'wealth	34,283	33,895	37,635	41,375	41,199
	Other	186,455	192,593	199,152	196,713	198,431
TOTAL LIABILITIES:	C'wealth	69,718	72,818	78,903	79,968	83,297
	Other	302,748	319,745	325,744	319,999	326,084

AVERAGE ASSETS IN AUSTRALIA (£'000) (e)

Coin, Bullion and Australian notes ..	C'wealth	5,371	5,602	5,243	5,168	5,205
..	Other(b)	31,881	38,211	39,177	37,397	38,968
Government and Municipal Securities (c) ..	(d)45,360	(d)47,777	(d)43,627	(d)42,311	41,646	
..	Other	42,772	45,447	46,004	46,501	45,792
Advances, Discounts etc.	C'wealth	9,879	11,135	11,312	12,029	(d)12,705
	Other	287,638	282,654	282,962	286,800	295,730
Other Assets (a) ..	C'wealth	933	947	883	865	887
	Other	14,476	14,634	14,359	14,700	15,432
TOTAL ASSETS:	C'wealth	61,543	65,461	61,065	60,373	60,443
	Other	376,767	380,946	382,502	385,398	395,922

(a) Comprising Landed and House property, balances due from other banks (exclusive of cash with Commonwealth Bank) and notes and bills of other banks. (b) Includes Cash with Commonwealth Bank. (c) Includes short-term loans in Australia. (d) Government "set-off" accounts, Interstate, deducted. See para. 2(a). (e) See para. 3.

3. Rural Banks:- Inscribed Stock, Liabilities and Assets. In the statement of Assets in paragraphs 2(a) and (b) the particulars given for Government and Municipal securities of the Commonwealth Bank include Rural Bank Inscribed Stock, received in respect of deposits with the Rural Bank, for which liability was accepted by the Commonwealth Bank in December, 1931. The average amounts included in the figures for the Commonwealth Bank are given in the following statement which also shows the Total Liabilities and Assets of the Rural Bank included under "Other Cheque-paying Banks" in the tables in paragraphs 2(a) and (b).

RURAL BANK - INSCRIBED STOCK, LIABILITIES AND ASSETS.

Quarter ended	Inscribed Stock held by Commonwealth Bank	Total Liabilities	Total Assets
	£	£	£
1936 - December	8,446,996	1,465,624	17,126,392
1937 - March	7,553,198	1,842,661	17,633,567
June	7,718,397	2,067,256	18,220,374
September	8,186,371	1,664,394	17,778,011
December	8,119,073	1,510,552	17,941,434

The aggregation of the statements of Assets for the Commonwealth and Other Cheque-paying banks results in an overstatement approximating to the amounts of Rural Bank Inscribed Stock referred to above.

4. Deposits, Advances, and Advances and Securities. The percentages of Advances, and Advances and Securities, on Total Deposits are given in the following statement. The figures relate to the business within Australia of all Cheque-paying banks, excluding the Rural Bank of New South Wales, and differ from those in paragraph 2, on that account, for the December quarter of the year 1935 and for each quarter from December, 1936 to December, 1937.

The particulars given for "Advances" represent Discounts, overdrafts and all other Assets (not including contingent assets), while, for "Advances and Securities", Government and Municipal Securities (including short-term loans in Australia) are added to the foregoing item.

DEPOSITS, ADVANCES, AND ADVANCES AND SECURITIES (b).

Particulars		Quarter ended -					
		December 1935	December 1936	March 1937	June 1937	September 1937	December 1937
<u>Deposits -</u>							
Not bearing interest	£'000	121,553	127,532	135,961	136,924	131,174	139,369
Percentage on total	%	36.00	36.69	37.59	36.70	35.39	36.84
Bearing interest	£'000	216,077	220,075	225,732	236,168	239,475	238,948
Percentage on total	%	64.00	63.31	62.41	63.30	64.61	63.16
<u>TOTAL DEPOSITS:</u>	£'000	337,630	347,607	361,693	373,092	370,649	378,317
<u>Advances - (c)</u>	£'000	275,547	282,769	278,695	278,424	283,055	292,457
Percentage on total deposits	%	81.61	81.35	77.05	74.63	76.37	77.30
<u>Advances and Securities(a)</u>	£'000	367,760	369,664	370,512	366,813	370,800	378,928
Percentage on total deposits	%	108.92	106.34	102.44	98.32	100.04	100.16

(a) Discounts, Overdrafts and All Other Assets (not including Contingent Assets) plus Government and Municipal Securities. (b) All Cheque-paying banks except Rural Bank of New South Wales. (c) See paragraph 2(a).

5. Deposit Rates. Particulars of interest rates for deposits since 1931 are given hereunder.

RATES FOR DEPOSITS WITH CHEQUE-PAYING BANKS.

Period during which rates were in force	Deposits for -			
	Three Months	Six Months	Twelve Months	Two Years
	% per annum	% per annum	% per annum	% per annum
Prior to 25th June, 1931 ..	4½	4¾	5	5½
26th June to 26th November, 1931	3½	3¾	4	4½
27th November, 1931 to 7th March, 1932	3	3¼	3½	4
8th March to May-June, 1932 (a) ..	2½	3	3½	4
May-June (a) to 31st October, 1932 (b)	2½	3	3½	3½
1st November, 1932 to 6th February, 1933	2½	2¾	3	3½
7th February, 1933 to 11th April, 1934	2	2½	2¾	3
12th April to 8th August, 1934 ..	2	2½	2¾	2¾
9th August to 10th October, 1934	1½	2½	2¾	2¾
11th October to 16th December, 1934	1½	2	2½	2½
17th December, 1934 to 23rd March, 1936(c)	1	1½	2½	2½
From 24th March, 1936 (d) ..	2	2½	2¾	3

(a) This reduction was not made simultaneously by all banks. (b) Bank of New South Wales reduced the rates for 6, 12 and 24 months by one-quarter of one percent from 23rd August, 1932. (c) Commonwealth Bank only. (d) Bank of New South Wales increased rates from 2nd March, 1936.

6. Cash Reserves and liabilities. The following table shows percentages of Cash reserves on liabilities "at call" and total liabilities, respectively, for the Commonwealth Bank and other cheque-paying banks. As figures for the Rural Bank of New South Wales have been excluded, the figures shown differ from those in paragraph 2. The data on which the percentages have been calculated relate throughout to business within Australia for the December quarter, 1935 and for each quarter from December, 1936 to December, 1937.

For the purposes of this table Cash Reserves of the Commonwealth Bank comprise Coin, Bullion and Australian notes, while in regard to other cheque-paying Banks, Cash with Commonwealth Bank is also included. Liabilities "at call" include, for the Commonwealth Bank, Deposits not bearing interest and Balances due to other banks, which latter item is assumed to be approximately equivalent to "Cash with Commonwealth Bank" of the Other Cheque-paying Banks included in their quarterly statement under the heading "Australian notes and Cash with Commonwealth Bank". For other cheque-paying banks the items included under "Call Liabilities" are notes in circulation and deposits not bearing interest.

RATIO OF CASH RESERVES TO "CALL" LIABILITIES AND TO TOTAL LIABILITIES.

Quarter ended	Bank	Liabilities "At Call"	Total Liabilities to Public	Cash Reserves		
				Aggregate	Percentage on	
					Liabilities "At Call"	Total Liabilities to the Public
		£'000	£'000	£'000	%	%
December 1935	C'wealth	30,816	62,357	5,444	17.67	8.73
	Other(a)	110,415	299,316	33,784	30.60	11.29
	TOTAL(a)	141,231	361,675	39,228	27.78	10.85
December 1936	C'wealth	34,174	68,718	5,371	15.72	7.82
	Other(a)	111,264	301,283	31,359	28.18	10.41
	TOTAL(a)	145,438	370,001	36,730	25.26	9.93
March 1937	C'wealth	38,672	72,818	5,603	14.49	7.69
	Other(a)	121,152	317,902	37,725	31.14	11.87
	TOTAL(a)	159,824	390,720	43,328	27.11	11.39

(a) Excludes Rural Bank of New South Wales.

RATIO OF CASH RESERVES TO "CALL" LIABILITIES AND TO TOTAL LIABILITIES.

(Continued)

Quarter ended	Bank	Liabilities "At Call"	Total Liabilities to Public	Cash Reserves		
				Aggregate	Percentage on	
					Liabilities "At Call"	Total Liabilities to the Public
		£'000	£'000	£'000	%	%
June 1937	C'wealth	40,994	78,903	5,243	12.79	6.65
	Other(a)	120,556	323,677	38,684	32.09	11.95
	TOTAL(a)	161,550	402,580	43,927	27.19	10.91
September 1937	C'wealth	38,339	79,958	5,168	13.48	6.46
	Other(a)	116,097	318,334	37,117	31.97	11.66
	TOTAL(a)	154,436	398,302	42,285	27.38	10.62
December 1937	C'wealth	41,809	83,297	5,205	12.45	6.25
	Other(a)	122,176	324,573	38,648	31.63	11.91
	TOTAL(a)	163,985	407,870	43,853	26.74	10.75

(a) Excludes Rural Bank of New South Wales.

7. Australian Note Issue. The following statement shows particulars of the Australian Note Issue on the last Monday of each month of the December quarter in the years 1934 to 1937.

AUSTRALIAN NOTE ISSUE.

Date	Notes in Circulation			Reserve		
	Held by -			Amount (a)	Percentage on -	
	Banks	Public	Total		Total Issue	Notes in hands of public
	£'000	£'000	£'000	£'000	%	%
1934 -						
29th October	20,831	26,719	47,550	15,708	33.03	58.79
26th November	20,540	27,010	47,550	15,708	33.03	58.15
31st December	21,991	28,309	50,300	15,708	31.23	55.49
1935 -						
28th October	19,162	27,883	47,045	15,994	34.00	57.36
25th November	18,701	28,344	47,045	15,994	34.00	56.43
30th December	20,920	30,375	51,295	15,994	31.18	52.66
1936 -						
26th October	18,379	28,660	47,039	(b)16,002	34.02	55.84
30th November	17,830	29,209	47,039	(b)16,002	34.02	54.79
28th December	15,751	34,788	50,539	(b)16,002	31.66	46.00
1937 -						
25th October	17,718	31,066	48,784	(b)16,008	32.81	51.53
29th November	17,936	31,348	49,284	(b)16,008	32.48	51.06
27th December	15,624	38,410	54,034	(b)16,008	29.63	41.68

(a) Includes reserve held in English Sterling.

(b) Stated in terms of Australian Currency.

8. Bank Clearings. The following table shows particulars of the weekly average of bank clearings in each Capital city for the December quarters of each year from 1927 to 1937.

BANK CLEARINGS - WEEKLY AVERAGES, DECEMBER QUARTERS.

Quarter ended last Monday in December	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	TOTAL
1927	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1928	21,860	17,973	4,217	3,375	2,135	(a)504	50,064
1929	20,486	15,066	3,955	2,930	2,118	(a)462	45,057
1930 - Ordinary	19,934	(b)15,991	3,895	2,699	2,059	474	45,052
Other	16,965	13,280	3,231	2,063	1,484	378	37,401
TOTAL:	1,483	707	-	-	-	-	2,190
1931 - Ordinary	18,448	13,927	3,231	2,063	1,484	378	39,591
Other	12,314	11,596	2,874	1,806	1,378	313	30,281
TOTAL:	3,311	1,435	-	-	-	-	4,746
1932 - Ordinary	15,625	13,031	2,874	1,806	1,378	313	35,027
Other	12,761	12,456	3,001	2,099	1,460	340	32,117
TOTAL:	6,537	1,561	-	-	-	-	8,198
1933 - Ordinary	19,298	14,117	3,001	2,099	1,460	340	40,315
Other	14,158	13,429	3,238	2,349	1,735	351	35,260
TOTAL:	4,848	1,384	-	-	-	-	6,232
1934 - Ordinary	19,006	14,813	3,238	2,349	1,735	351	41,492
Other	14,363	13,431	3,603	2,292	1,749	387	35,825
TOTAL:	4,243	1,076	-	-	-	-	6,019
1935 - Ordinary	19,306	14,507	3,603	2,292	1,749	367	41,844
Other	16,504	16,395	3,771	2,717	1,960	465	41,812
TOTAL:	5,075	804	-	-	-	-	5,879
1936 - Ordinary	21,579	17,199	3,771	2,717	1,960	465	47,691
Other	18,153	16,454	3,782	2,908	2,130	521	43,968
TOTAL:	4,944	889	-	-	-	-	5,833
1937 - Ordinary	23,057	17,343	3,782	2,908	2,130	521	49,781
Other	18,652	17,229	3,978	3,144	2,206	550	45,759
TOTAL:	5,136	942	-	-	-	-	6,078
1937	23,788	18,171	3,978	3,144	2,206	550	51,837

(a) Approximate. (b) Excludes £2,566,000 transactions connected with the issue and redemption of Treasury Bills.

NOTE:- "Other" refers to transactions connected with the issue and redemption of Treasury Bills.

9. Index of Bank Clearings. The following index of the average bank clearings in each capital city for the December quarter, 1927 to 1937, has been computed from the figures in the preceding paragraph. Clearings connected with the issue and redemption of Treasury Bills have been disregarded, and no adjustment has been made on account of amalgamations of banking interests.

INDEX OF BANK CLEARINGS - DECEMBER QUARTERS, 1927 TO 1937.

(Base: Average of weekly clearings December quarters, 1927 to 1929 = 1000)

December Quarter of -	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	TOTAL
1927 to 1929	1000	1000	1000	1000	1000	1000	1000
1927	1,053	1,101	1,049	1,125	1,015	1,035	1,072
1928	987	924	984	976	1,007	990	965
1929	961	980	969	899	979	973	965
1930	817	814	804	687	705	776	801
1931	593	711	715	602	655	644	649
1932	615	763	746	699	694	698	688
1933	682	823	805	783	825	721	755
1934	692	823	896	764	831	794	767
1935	795	1,005	938	905	932	955	896
1936	875	1,008	941	969	1,012	1,070	941
1937	899	1,056	989	1,048	1,046	1,129	980

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