In the first place, the returns for the quarter ended 31st March, 1932, show an excess of deposits over advances of £1,232,774, which is in marked contrast to an excess of advances over deposits of £3,080,295 which was recorded for the quarter ended 31st March, 1931, and which represents an improvement of no less than £4,313,069.

Further important features of the returns are, firstly, an increase of £213,172 in deposits, and, secondly, a decrease of £4,099,897 in advances, as compared with the figures for the quarter ended 31st March, 1931.

For the quarter under review deposits totalled £51,465,111, in comparison with £51,251,939 for the corresponding quarter of 1931. Advances, on the other hand, for the quarter ended 31st March, 1932, amounted to £50,232,337, as compared with £54,332,234, for the first quarter of the preceding year.

The relation of deposits to advances for the quarter ended 31st March in each of the past seven years is shown in the following table :—

Quarter ended 31st March,	Deposits.	Advances.	Excess of	
			Deposits.	Advances.
	£	£	£	£
1926	47,302,480	48,285,142	..	982,662
1927	45,528,812	50,800,808	..	5,271,996
1928	49,958,295	46,070,370	3,887,925	..
1929	55,345,495	46,359,744	8,985,751	..
1930	54,003,241	53,676,778	326,463	..
1931	51,251,939	54,332,234	..	3,080,295
1932	51,465,111	50,232,337	1,232,774	..

Deposits consist of two classes—namely, free or non-interest-bearing deposits, and fixed or interest-bearing deposits. The relative movements of these two classes for the first quarter of each of the past seven years are shown in the table below.

Quarter ended 31st March,	Free Deposits.	Fixed Deposits.	Total.
	£	£	£
1926	26,865,851	20,436,629	47,302,480
1927	24,440,778	21,088,034	45,528,812
1928	24,482,151	25,476,144	49,958,295
1929	25,736,743	29,608,752	55,345,495
1930	23,905,822	30,097,419	54,003,241
1931	18,329,853	32,922,086	51,251,939
1932	16,998,822	34,466,289	51,465,111

The steady tendency of free deposits to decline from the high level reached in 1926 is readily seen in the above table, as also is the equally as strong tendency of fixed deposits to increase.

Deposits shown above do not include Government deposits, which for the quarter ended 31st March, 1932, amounted to £1,871,774, as compared with £2,889,126 for the corresponding quarter of the previous year.

Advances for the January–March quarter of the current year (£50,232,337) comprised ordinary advances aggregating £49,519,631, and notes and bills discounted amounting to £712,706. For the corresponding quarter of 1931 total advances (£54,332,234) consisted of ordinary advances amounting to £53,264,390 and notes and bills discounted amounting to £1,067,844. For the quarter ended 31st March, 1932, there were consequently decreases of £3,744,759 and £355,138 in ordinary advances and in notes and bills discounted respectively.

The average notes in circulation for the quarter ended 31st March, 1932, amounted to £5,875,025, as compared with £5,802,262 for the corresponding period of 1931, an increase of £72,763. Coin and bullion, on the other hand, showed a reduction of £356,721, the total being £6,598,701, as compared with £6,955,422 for the first quarter of 1931.

Trade with the United Kingdom.

Consequent upon the fall in the prices of our principal exportable products, the value of our export trade with the United Kingdom naturally showed a substantial reduction in 1931 as compared with the preceding year. Exports last year were valued at £30,940,654 as against £36,015,303 in 1930, a reduction of £5,074,649.

The value of our imports from the United Kingdom in 1931 also showed a substantial recession, the total being £12,192,649, as compared with £20,333,986 for 1930, a reduction of £8,141,337.