

# The Monetary Times

A JOURNAL OF CANADA IN THE TWENTIETH CENTURY.

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## BANKING AND FINANCIAL.

A branch of the Traders Bank has been opened at Tavistock, Ont.

A clearing house for Kingston is proposed among the bankers of that city.

The Crown Bank have purchased a site at Burford, Ont., for a new bank building.

The Royal Bank of Canada has purchased a \$200,000 site on Main street, Winnipeg.

The Royal Bank of Canada opened the doors of its Peterborough, Ont., branch on Monday.

The Traders Bank expects to move into its new quarters at Toronto about the middle of December.

The Union Bank of Canada has opened a branch at Kingsville, Ont., with Mr. Joseph Anderson as manager.

Notice is given from Toronto of an intended application to Parliament for the incorporation of the Manufacturers Bank of Canada.

The Bank of Nova Scotia has secured offices and will open at Regina, Sask., on December 1st. This makes nine chartered banks doing business in Regina.

The Lake of the Woods Milling Co. has declared a dividend of 1 1/4 per cent. on preferred stock for the quarter ended Nov. 30 to shareholders of record of Nov. 17. Payment on Dec. 1.

The profits of the Trust and Loan Company of Canada for the half-year ending September 30th were £20,594. The half-yearly report orders a dividend equal to 8 per cent. per annum; £23,864 will be carried forward.

The Royal Bank of Canada has opened branches at Manzanillo, Cuba; Peterborough, Ont., and Dominion City, Man. The Oxford, N.S., branch of the Royal Bank of Canada was closed on the 31st October.

La Banque Nationale has opened two new branches, one at Matane, Rimouski county, P.Q., under the management of Mr. J. E. M. Robert, and the other at Trois-Rivieres, P.Q., under the management of Mr. R. O. Gilbert.

The Bank of Montreal and the Canadian Bank of Commerce, who are joint bankers for the Dominion Iron and Steel Company, state that their advances are well secured and neither bank has any apprehension as to their safety.

The directors of the Sao Paulo Company have called a special meeting of the shareholders for Nov. 23, to consider two by-laws passed by the board, one to increase the directorate from nine to ten, and the second the capital from \$7,500,000 to \$8,500,000.

Gilt-edged, conservative and permanent investment bonds are very cheap just now because of the high money rates ruling, and if a reduction in call rates for money is likely to come, the present moment for investment in sound, long-term bond securities is a good one.

Hudson Bay shares are making a good showing in London, and in the past few days have advanced very nearly £25 a share. On Wednesday they were quoted at £118 1/2, and on Friday ran up to £127 1/2, the highest price ever touched.

In the annual report of the directors of the Consolidated Mining and Smelting Company of Canada, Limited, it was stated that the issue of more capital stock is contemplated out of the \$8,120,000 still remaining of the authorized capital. The capital outstanding at the end of the half-year just

closed amounted to \$4,698,800. There will, therefore, be 8,012 shares in the treasury available for this purpose.

The annual meeting of the Royal Trust Company was held on Monday in the company's office, Montreal. This company does not publish a financial statement, but it is understood that the financial report for the past year was approved, and was very satisfactory to the shareholders and management. The old board of directors were re-elected.

The Penny Bank of Toronto has made a statement covering the first fifteen months of its existence. The balance sheet shows deposits amounting to \$81,001, and surplus funds \$4,528, making a total of \$85,550. The Penny Bank Act provides that 95 per cent. of the deposits shall be in the name of the Dominion Government. This has been exceeded, and \$82,063 has been placed in the Dominion Treasury. The public schools are depositing at the rate of \$1,000 a week. The pupils have \$53,042 to their credit. There are branches in forty-two of the fifty-six schools of the city.

## SOVEREIGN BANK HALF YEAR.

There is a rare combination of youth and experience in the half-yearly statement of the Sovereign Bank published to-day. From whichever point of view it is regarded the showing is remarkably good. It is, perhaps, the most striking exhibition of the change which has come over Canadian finance in the last decade, because it shows the firstfruits of an alliance with foreign interests; such as was impossible to a young Canadian financial institution in days when commercial progress was painfully slow.

The powers that be in the Sovereign Bank are not afraid that Canadian expansion is becoming painfully fast. They have increased the number of their branches to 55, and sub-offices to 22, all in Ontario and Quebec. They are keeping out of the West, where competition "seems to be unusually keen," and are cultivating blocks of territory of proved richness, by methods which are producing profits and very materially increasing business.

The Sovereign Bank has followed its own special line of policy, and the sale of \$1,562,500 worth of stock to Dresdner Bank interests has given it special advantages in the direction of attracting foreign capital to the Dominion—a function in which peculiarly valuable service may be rendered the country as a whole.

But the real viewpoint from which to regard the achievements of an institution is that of its record in substantial figures. On October 31st the liabilities and assets of the bank balanced at \$25,343,401. The depositors had \$15,578,919 with the bank. Notes in circulation amounted to \$2,850,675, and other liabilities \$1,635,249—a total liability to the public of \$20,064,843. To meet this there are quick assets, \$10,223,740, of which nearly \$4,000,000 is in actual cash, and commercial loans, bank premises, etc., amounting to \$15,119,660. The percentage of quick assets to liabilities to the public is 50.9, and to total assets 40.3.

It is sometimes urged against the younger banks that they give too much credit on too little security, and that the opening of far too many branches is a sure road to multiplying undesirable risks. The Sovereign figures supply no support to this theory. Whereas its percentage of quick assets to total assets was 40.3; the percentage in five other senior banks, whose returns are handy, ranges from 39.41 down to 20.99, with an average of 28.58. The proportion of capital, on which, of course, there is double liability to the bank's creditors, to liabilities to the public is exceptionally high. Capital paid-up is \$3,942,710, which is equal to 19.6 per cent. of the liabilities to the public of \$20,064,843. The showing is unique. Obviously, it means that the policy of the Sovereign Bank is to extend its business with the same quality of strength as went to the increment of the capital itself.

The purchase of a site at the corner of King and Bay Streets, Toronto, for the erection of a large office building by the bank is all in the line of expansion on large lines. The Sovereign Bank has always had large ideas of its future—which is often first essential to the attainment of a large future.

An increase of 247 is shown for this year in the population of Waterloo, which is now 4,208. The assessment is increased from \$1,859,236 to \$1,920,834.

Calgary's population is now 14,203. In October 73 permits for new buildings were issued, value \$166,792. The Ryan block, for a shoe factory and warehouse for the Winnipeg firm, costs \$20,000, and the Alberta Hotel will cost nearer \$30,000.

The Dominion Radiator Company, of Toronto, will spend about \$200,000 on a new factory of double the present factory's capacity. The company will employ from 500 to 600 hands when the new factory is completed. A site has been secured on Dufferin street near the Canada Foundry, south of the C. P. R. tracks and some distance north of the present factory, which is for sale.

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