

BANKING & FINANCIAL NEWS.

BANK MEETINGS AND ANNUAL STATEMENTS.

BANK OF MONTREAL.

The solidity of the Bank of Montreal is amply demonstrated, if need there be for demonstration, in the report which has been presented to the ninety-first annual general meeting of the shareholders held at Montreal on Monday. The profits for the year ended October 31st were \$1,957,658. The amount credited to rest account is \$1,000,000; this brings the bank's rest up to \$12,000,000. The total deposits are more than \$143,000,000. The note circulation on October 31st was \$12,417,132, and the balance of profits carried forward \$217,628.

Sir Edward Clouston explained at the meeting—a full report appears on other pages—that the bank's deposits have increased \$17,000,000, while loans have decreased \$10,000,000, making the present percentage of immediately available assets 57 per cent. as against 43 per cent. a year ago. This, Sir Edward characterized, as an exceptionally strong position, stronger indeed than is necessary.

The shareholders present made little comment upon the statement. Mr. R. Fisher referred to the fact that \$600,000 was designated as the value of the bank's premises. He thought a more explicit statement of the bank's properties was desirable. The Vice-President replied that it would be a matter to be taken up by the new directorate board. He thought it an error on the right side.

Since the last annual meeting six branches of the bank and three sub-agencies have been opened, while two sub-agencies have been closed. The arrangements for opening a branch at Prince Rupert have not yet been completed.

The vacancy on the board, caused by the death of Sir Robert G. Reid, has been filled by the election of Mr. C. R. Hosmer.

BANK OF COMMERCE STATEMENT.

For the past four years, the net profits of the Bank of Commerce have been:—

1905.	\$1,376,000
1906.	1,741,000
1907.	1,752,349
1908.	1,627,332

The figures for the twelve months ended November 30th last are from the statement issued in advance of the annual meeting which will be held in January. It will be noted from the above that the high mark was attained in 1907, which was a record year in every branch of the country's business. The \$125,017 decrease now recorded is not more than proportionate with the altered conditions of the past twelve months. A new record could not reasonably have been expected, for it is well known that the aim of the chartered banks this year has been not so much to earn large profits as to strengthen their respective financial positions. The statement under review, as well as those of other institutions, the results of whose operations during the year have yet been published, shows the gratifying extent to which success has been obtained in this direction. The quick assets of the Bank of Commerce have been increased by over seven million dollars, while the total assets have grown from \$113,683,538 to \$122,338,214—a difference of over nine and a half million dollars. Earnings equal 16.27 per cent. compared with 17.52 per cent. the previous year.

With the balance of \$675,912 brought forward from the previous year, the sum available for distribution is \$2,303,245. Out of this is paid the usual dividend of 8 per cent. per annum, \$30,000 is transferred to the Pension Fund and \$1,000,000 is transferred to the Rest Fund, which now stands at \$6,000,000, or over 55 per cent. of the paid-up capital. A sum of \$12,000 is also appropriated for subscriptions to the Quebec Battlefields and Fernie fire funds and other objects. The remaining surplus is \$161,249.

The amounts standing against note circulation and deposits by the public show considerable increases as compared with a year ago,—in the case of the former, of over half a million dollars, and the latter over seven and a half millions. Both these accounts have been improving steadily during the past few months, and the figures for the end of November last are practically the highest for the period. In April, note circulation dropped to a little over seven million dollars, and the combined deposit accounts amounted to only \$68,690,744. The tide then turned and subsequent months showed continued expansion.

As already indicated, there is a large increase in the quick assets of the bank, amounting to over \$7,000,000. This is accounted for by the heavy gain in Dominion notes, the amount of coin and bullion held being actually less. Another noteworthy gain is in the balance due by the agents of the bank in the United Kingdom. These amount to \$6,750,669, as compared with \$51,122. Balances due by other foreign banks are larger by \$312,458. Call loans figure at over five million more than the previous year, current loans being over seven millions less. The value of real estate other than bank premises is placed at \$27,758 less than a year ago, but the numerous new branches which have been opened throughout the country during the twelve months have enhanced the value of the bank premises by over \$300,000.

BANK OF TORONTO'S STATEMENT.

In glancing at the financial statements published by the chartered banks for the year 1908, perhaps the first item examined is the net profits for the twelve months. Generally speaking, the present has not been a profit-making year for the banks, and it is unlikely that any will establish new records.

The Bank of Toronto's profits for the year, as on November 30th, were \$582,156.

Its profits for 1907 were \$586,635. That only a decrease of \$4,000 in profits should have to be recorded is in itself a testimony to the bank's cautious and successful financing during the year. Four dividends account for \$400,000 and \$10,000 has been added to the officers' pension fund.

The annual general meeting of the stockholders will be held on January 13th, after which some further figures will be at our disposal for analysis.

EASTERN TOWNSHIPS BANK.

Net profits exceeding twelve per cent on the paid-up capital were earned by the Eastern Townships Bank during the year ended November last. In the previous year they amounted to over thirteen per cent., but the difference totaling \$5,588, is inconsiderable when a comparison is made between the business conditions of the two periods. Caution rather than expansion has been the policy which our financial institutions have been compelled to adopt throughout the past twelve months. Strength has been gained, and so far as the Eastern Townships Bank is concerned, the accounts reflect the beneficial results of the conservative course that has been followed. Cash reserves and quick assets have been materially strengthened, and it is safe to predict that the large resources of the bank will be profitably utilized to their full extent during the coming year.

The net profits last year amounted to \$367,111, against \$372,669 in 1907. Out of this, the usual dividend of 8 per cent. has been paid; the Officers Guarantee Fund has received an additional \$2,000, and the employees have received a bonus of \$10,500, leaving a balance of \$215,306 to be carried forward. The amount carried forward last year was considerably less, being \$100,000, but it must be remembered that \$140,000 was then added to the reserve fund, bringing it up to \$2,000,000, at which figure it now stands.

Both note circulation and deposits show a slight increase, while the total of assets immediately available is largely in excess of the amount at the end of November, 1907, being nearly \$7,500 as compared with just over six millions. The increase of \$222,500 in gold and silver current and \$314,703 in call loans account for much of this gain. The total assets are one million less, although practically every item has grown with the exception of current loans. These are over one million dollars less than a year ago. Bank premises are also less by \$128,313. This deficiency is more than made up by the \$282,289 increased value of other real estate owned by the bank.

The president stated at the annual meeting that the new building on St. James street, Montreal, would be ready for occupation next May. Mr. Farwell also referred briefly to the financial disturbance which set in last autumn and to the severe drought during the summer, which had caused serious loss in certain parts. He spoke encouragingly of the outlook, but recommended economy in order that the country might retain its strong financial position.

The election of officers resulted as follows: W. Farwell, S. H. C. Miner, Gardner Stevens C. H. Kathan, J. S. Mitchell, A. C. Flumerfelt, F. Grundy, O. A. Robertson, G. G. Foster, F. N. McCrea and B. C. Howard. The two last named gentlemen are new members of the board. Mr. F. N.