

YIELD OF BRITISH BANK SHARES.

An analysis of the stock lists of the English Stock Exchanges, which are published by *Banking and Insurance*, enables us to bring out the following facts as to the percentage which is realisable from bank shares at recent prices, on the basis of the last dividend. The number of banks is given which yield a percentage within a given range.

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|---------------------------------------|----|--------------------------|----|
| From $2\frac{1}{2}$ to $2\frac{3}{4}$ | 3 | From $4\frac{1}{2}$ to 5 | 22 |
| " $3\frac{1}{4}$ to $3\frac{3}{4}$ | 5 | " 5 to 6 | 8 |
| " $3\frac{3}{4}$ to 4 | 19 | " 6 to 7 | 9 |
| " 4 to $4\frac{1}{2}$ | 32 | " 7 to 8 | 10 |

Thus, out of 108 leading banks whose stocks are quoted on the London & Provincial Stock Exchanges, the shares of 24 are at such prices as would yield the buyers from 3 to 4 per cent., 32 are at prices to yield 4 to 4 1-2 per cent., and 22 at prices to yield 4 1-2 to 5 per cent. Thus, out of 108 bank stocks, 78 are quoted to yield from 3 to 5 per cent. The three banks whose shares would yield from 2 1-2 to 3 are the Bank of England, £2. 10. 11., the Bank of Ireland, £2. 18. 9., the North of Scotland, £2. 14. 10. per cent. The banks whose shares are quoted to yield over 5 per cent. are chiefly those with foreign connections, such as the Anglo-Argentine, £11. 2. 0.; Bank of Egypt, £7. 7. 0.; Bank of Tarapaca and London, £9. 1. 9.; Bank of Roumania, £7. 17. 0.; London and Mexico, £7. 12. 6., London & Brazilian, £6. 13. 4.; Ionian, £7. 13. 9., and others of this class, whose high dividends fail to raise their shares to a proportionate premium. Indeed, a very high dividend is in some instances barely able to keep the shares up to par, the Anglo-Argentine, for instance, paid 6 per cent. for last half-year, yet the shares are quoted at only 5 1-4, the par being 5. The National of New Zealand which paid 10 per cent. last year is quoted at 1 3-4 to 2 1-4, the par being 2 1-2, and the Bank of Tarapaca and London, which paid 10 per cent., has its shares quoted at 3 to 3 1-2, the par being 5. The rates of dividend paid by a large number of British banks is enough to excite the envy of shareholders in Canadian banks. Out of the strictly British banks we find 25 of them paid dividends last year of from 20 per cent. upwards, 8 paid from 15 to 20 per cent., and for a considerable number the dividend last year was close upon 15 per cent. The Sheffield Banking Company, in which the General Manager of the Merchants' Bank of Canada was trained, paid 25 per cent. last year, and its older neighbor, the Sheffield and Rotherdam Bank, paid 30 per cent. The premium on some British bank shares is very great. The National of Scotland is quoted at 404, the par being 100, the Belfast Banking Co., 123 1-4, par 25, Lancaster Bank 20 1-2, par 5 1-2, London & County 10 1-2, par 20, and so on in the case of many others, the market price being from 3 to 5 times the amount paid up. There are a variety of causes which account for such results as the above, such as the large reserve funds of the older banks; the comparatively small capital on which their very extensive business is done; the constant activity of

their resources; the large deposits at low rates they command; the very small amount of cash reserves held, the general steadiness of trade; and the regularity with which discounted paper is paid. These conditions with other incidental advantages enjoyed by British bankers enable large net profits to be realized.

THE HONBLE. EDWARD BLAKE ON PREFERENTIAL TRADE.

Although the Honble. Edward Blake is no longer engaged in the political arena in Canada, his judgment on questions affecting this country still have great weight, especially upon the relations of Canada to the mother country. Having been in the British House of Commons, for some time, he is doubtless fully informed on the trend of opinion in the old land. On the 8th inst, Mr. Blake made the following interesting remarks which show that this eminent statesman is in thorough sympathy with the movement for developing Imperial trade. He said:—

"Three great questions are before us—Imperial trade, relations with the States and defence. As to trade, I say no word on tariff details, but I think there is and should be, general approval of the principle of a policy which offers preferential trade advantages, open on broad lines, to all responding countries, and under her tariff laws and manufacturing conditions, at once available and specially beneficial to England. This, however, is not in its nature an exclusive preference to which no other nation can attain. Such a preference must in reason be based on mutuality of the relation. I explained the other day why I thought that impracticable for either party. I will not repeat the argument. If I thought you could persuade John Bull that on conditions such as you can offer it will pay him to tax his food and timber for your profit, I would be glad. But I don't think you can succeed; and I should regret, as long as exclusive reciprocal preference is unattained, to part with our power to develop trade everywhere.

"Meantime are we not all agreed, at home and abroad, in the wish and effort to develop trade within the Empire on sound and practicable lines? Are we not moving as fast and as far as we can moving in that direction? Are not our controversies now reduced to questions of method rather than of principle? Have we not found a true Canadian and Imperial line?

"Referring to relations with the United States, he said: "I hope we are all agreed that the ancient policy in favor of extended trade with our neighbors should still hold. Some have thought that policy at times unduly neglected; at times unduly pressed. But there never has been a day when in Canadian opinion the true interests of both countries would not have been served by largely extended trade relations; and I trust we shall say or do nothing to prevent them. These countries touch each other for thousands of miles; we have many interlacing, many common and some conflicting interests. In spite of all obstructions, we mingle and exchange largely still and besides we come of the same stock, and speak the same tongue.

"In every aspect we are too close to each other to be indifferent. We must be friends or enemies; and it is the highest interest of Canada and the Empire that we should be good friends."