

Merchants Bank of Canada.

Report to be presented to the Stockholders at the Annual Meeting, to be held on Wednesday, the 15th inst., at Noon.

The Directors beg to report to the Stockholders the result of the year's operations, and also of the special examination of doubtful assets, securities and properties made by the Joint General Manager.

The ordinary profits of the Bank have been diminished by pressure of competition, but the losses arising from failures of customers during the year have been small, with, however, one exception, arising from a very heavy shrinkage in value of the security held for an important account, necessitating a large appropriation out of the profits of the year to meet it.

The working of the business of the year has, therefore, been as follows:—
Net profits, after payment of interest and charges, and providing for bad and doubtful debts, accruing during the year, including the above-named, were \$440,437.96
Balance from last year .. 141,717.22

\$582,155.22
Out of which the usual dividends were paid of eight per cent. 480,000.00

Leaving a balance of . . . \$102,155.18
The special examination resulted in appropriations and adjustments at head office and branches (after deducting Contingent Account, of . . . \$408,941.30
And Bank Premises and Furniture were reduced . . . 4,372.00

\$453,313.30

This was met by a transfer from Rest account of . . . 400,000.00

Leaving a balance to be carried forward to next year of . . . 48,841.88

\$502,155.18 \$502,155.18

The Directors trust that there may be considerable recoveries from these appropriations, but it has been deemed most desirable to make large allowances for contingencies.

The volume of business at the Bank has been well maintained, so far as Deposits and Circulation are concerned, but the diminished demand for Mercantile Loans and Discounts is reflected in the balance sheet. A corresponding increase will be found in the investments of the Bank in Bonds, Debentures, and Call Loans.

The large developments of business in the North West have led to the consid-

Statement of Liabilities and Assets at 31st May, 1898.

LIABILITIES.

I.—To the Public.

	LAST YEAR.	
Notes in circulation	\$ 2,835,873 00	\$ 2,357,662 00
Deposits not bearing interest	2,809,361 76	2,554,992 96
Deposits bearing interest	9,895,205 90	8,765,341 38
Interest due thereon to date	71,157 96	78,565 19
Deposits of Canadian Banks keeping Accounts with this Bank	917,281 82	670,447 58
	13,693,007 44	
Balances due to Canadian Banks in Daily Exchanges	6,923 83	1,431 79
Balances due to Agents in Great Britain		337,089 06
Dividend No. 59	240,000 00	240,000 00
Dividends unclaimed	767 50	1,398 00
	\$ 16,779,571 77	\$ 15,042,928 36

2.—To the Shareholders.

Capital paid up	\$ 6,000,000 00	6,000,000 00
Reserve	2,600,000 00	3,000,000 00
Surplus Profits	48,841 88	141,717 22
Contingent Account		74,695 00
	8,648,841 88	
	\$ 25,425,413 65	\$ 24,259,340 58

ASSETS.

Gold and Silver Coin on hand	378,449 82	372,580 89
Dominion Notes on hand	1,121,269 00	1,044,748 00
Notes and Cheques of other Canadian Banks	739,398 05	720,125 59
Balances due by other Canadian Banks in Account and Daily Exchanges	1,736 71	121,031 34
Balances due by Agents in Great Britain	138,484 29	
Balances due by Banks and Agents in the United States	1,181,623 29	604,978 14
Dominion Government Bonds	1,356,866 64	937,007 34
Railway, Municipal and other Debentures	1,221,854 46	398,928 86
Call and Short Loans on Bonds and Stocks	1,849,759 22	1,350,163 83

Total assets immediately available	7,989,441 48	\$ 5,549,563 97
Time Loans on Bonds and Stocks	\$ 402,430 35	555,574 00
Other Loans and Discounts (less reserved for rebate)	15,938,408 89	16,894,136 61
Loans and Discounts overdue (less Provided for)	93,137 15	147,454 89
	16,523,976 39	159,812 70
Deposit with Dominion Government for security of Note circulation	159,312 70	352,514 11
Mortgages and other securities, the property of the Bank	143,938 73	26,897 18
Real Estate	48,137 20	26,897 18
Bank Premises and Furniture	532,945 04	559,848 70
Other Assets	27,662 11	14,038 42
	\$ 25,425,413 65	\$ 24,259,340 58

In addition to the liabilities shown in this statement, the Bank is under obligation to pay \$12,031 yearly in pensions to retired officers, for which there is no special provision in the Assets.

G. HAGUE, General Manager.
THOS. FYSHE, Joint General Manager.

EUROPEAN MARKETS.

Liverpool, opening, June 10.

Wheat.—No. 2. Red Winter, per ctl. 8s 6d; Futures quiet; June nom.; July 8s 10d; Sept. 6s 7½d; October nom.; Dec. 6s 3½d.

Maize.—Spot firm; Mixed American 3s 2d per ctl. for new; Futures steady; July 3s 2¼d; August 3s 4¼d; Sept. and Oct. nom.

Minneapolis Flour.—First bakers average, 32s 9d per sack.
Weather brilliant.

Liverpool, 12.30, June 10.

Wheat.—No. 1. Northern Spring 9s; No. 1 California, no stock; Red Winter, 8s 6d. Corn 3s 3d. Peas, 5s 3d.

Pork.—55s. Lard 30s. Tallow 20s 6d. Bacon, long cuts, heavy, 31s 6d. Light cuts, 31s 6d; Short cuts, light, 31s.

Cheese.—31s 6d for white and colored.

Wheat and corn firm. Receipts of wheat for past three days, 202,000 ctls, including 104,000 ctls. American Receipts of corn 171,700 cts. American.

Liverpool, (Closing) June 10.

Wheat—Spot, dull; No. 2 Red Winter, per cental, 8s 6d; No. 1 Northern Spring 9s. Futures, steady; June, nominal; July, 9s 1½d; Sept., 6s 7½d; Oct., nominal; Dec., 6s 3¾d.

Maize—Spot, firm; Mixed American, 3s 3d per cental. Futures steady; June, nominal; July, 3s 3½d; Sept., 3s 5½d; Dec., nominal.

Minneapolis Flour—First Bakers, average per sack, 32s 9d.

eration of favourable opportunities for business there, and branches have been opened at Portage la Prairie, Neepawa and Souris in Manitoba, at Medicine Hat in Assiniboia, and Edmonton in Alberta.

The expenses connected with the opening of these branches have been considerable, and have added to the charges for the year. The Directors trust that hereafter they may prove a steady source of profit to the Bank.

PENSION FUND.

The Bank already possesses the nucleus of a Pension Fund, but there has hitherto been difficulty in organizing it on a proper basis. It is, however, the intention of the Board to give attention to the matter during the coming year, and it is hoped that a carefully considered scheme may be presented for adoption at a future meeting.

Meantime the annual cost of the pensions allowed to various former officers forms a part of the annual charges of the Bank.

The various officers of the Bank have discharged their duties to the satisfaction of the Board.

All respectfully submitted.
ANDREW ALLAN,
President.

Montreal, June 9, 1898.

MONTREAL WHEAT AND PROVISION MARKET.

Montreal, June 9.

WHEAT.

There is not much change in the local wheat market, the prices showing, if anything, a somewhat weaker tendency. Manitoba No. 1 hard is better demand for export but the bulk of the trade is limited. Several of our dealers seem to think it is time to get more thoroughly into harness and are anticipating a more lively trade with the incoming new crop. Reports from various wheat producing districts in the Western States show a backward tendency in some places, but the belief still holds good that the crop, all round, will be a heavy one, and anything like brisk buying is limited. Hopes are entertained that prices will shortly be more settled and until then no great volume of business may be looked for. Wheat for export is only bought in comparatively small quantities here, although reports are to hand of some good round lots being purchased for export to Liverpool.

FLOUR.

Taking the flour market all round, there is a falling off in prices of 20c. to 30c. per barrel for Manitoba brands, which almost monopolize what little trade is being done in the market. An occasional slight flutter created, when enquiry is made for export trade, and this is about the only thing that keeps the market alive. Holders of last year's wheat are having their stocks converted into flour and put on the market as quickly as possible which, of course, has a tendency to make prices easy.

Following are the quotations:—

Following are the prices:—

Manitoba Patents	per bbl.	\$6.30 to 6.70
Manitoba Strong Bakers, best brands		6.20 to 6.50
Manitoba Strong Bakers, seconds		5.70 to 6.10
Winter Patent		5.80 to 6.15
Straight Rollers		5.40 to 5.65
Straight Rollers, bags		2.65 to 2.75

MINING STOCKS.

June 9, 1898.

Quotations for active British Columbia Mining Stocks furnished by R. Meredith & Co., Mining Brokers, 51 St. Francois Xavier Street.

	Bid.	Asked
Big Three	\$.07	\$.08
Can. Gold Fields Syn . . . . .		.07
Cariboo Hydraulic . . . . .	.78	.84
Cariboo McKinny . . . . .	.49	.53
Deer Park . . . . .	.10	.11½
Dom. Developing Co . . . . .		.25
Evening Star . . . . .		.05½
Fern . . . . .		.60
Golden Cache . . . . .		.40
Gold Hills Developing . . . . .	.7½	.10
Iron Colt . . . . .		.10
Iron Mask . . . . .	.47	.50
Josie . . . . .	.28	.31
Jumbo . . . . .		.50
Monte Christo Con . . . . .	.34	.36
Montreal & London . . . . .		.30
Montreal Red Mountain . . . . .	.17	.20
Noble Five . . . . .		.18
Reco		1.50
Slocan Star		1.75
Smuggler . . . . .		.14
Silverine . . . . .	.04	.05
Tin Horn . . . . .		.14
Two Friends . . . . .		.14
Twin . . . . .		.25
Virginia . . . . .	.23½	.25
War Eagle Con	2.01	2.02
Winchester . . . . .		.17

Edward L. Bond,

INSURANCE

Marine, Fire, Accident,
Plate Glass.

30 ST. FRANCOIS XAVIER ST.,

MONTREAL.

EGGS.

There is a much better demand for eggs, both for export and local trade. Fresh laid are eagerly sought after, while ordinary stock has come in for a larger share of attention than for some time past, and there is a better prospect of moving off the stock in hand. Prices are unchanged.

BUTTER.

The local butter market continues brisk and the demand for creamery still continues, at a slightly advanced price, first class quality reaching as high as 16¼c. per pound. There is also a better demand for dairy at from 14c. to 17c. per lb., and altogether the market may be said to show an improvement on yesterday.

Quotations are:—
Finest Creamery16½ p. lb.
Eastern Township14c to 15c p. lb.
Western13c to 13½ p. lb.
Medium11c to 12c p. lb.

CHEESE.

The cheese market still holds pretty firm, owing to the prices paid by the country dealers who are still free buyers at the latest ruling quotations which have slightly advanced, and for Westerns the price is a fraction over 7c. per pound. To-day's advices from the other side shew the market to be a little weaker and export trade has received a slight check in consequence. There is no change in prices which rule as follows:—

Following are the quotations:—

Western	7½c to 7¼c per lb.
Eastern	6½c to 6¼c per lb.
Cab. for White . . . . .	.36s to 36s p. cwt.
Cab. for Col. . . . .	.36s to 36s p. cwt.

PORT OF MONTREAL.

Arrived June 9 and 10.

Steamship Turret Crown, T. Henry, Sydney, Kingman & Co., coal.
Steamship Lake Winnipeg, Jones, Liverpool, D. W. Campbell, general.
Steamship Kastralia, Webb, Glasgow, R. Reford & Co., general.
Steamship Buenos Ayrean, J. McAdam, Glasgow, H. & A. Allan, general.
Steamship Cynthiana, Hamburg, D. Torrance & Co., general.
Steamship Carlisle City, Hamburg, D. Torrance & Co., general.
Steamer Admiral, Pouliot, Gaspé, D. Robertson & Co., general.

Cleared June 9 and 10.

Steamship Oakmore, R. Campbell, Liverpool, Wm. Johnston & Co., general.
Steamship Bonavista, D. Fraser, Sydney, Kingman & Co., general.
Steamship Cape Breton, J. Reid, Sydney, Kingman & Co., light.
Steamship Turret Crown, T. Henry, Sydney, Kingman & Co., light.

VESSELS IN PORT.

Steamships.

Druid, Quebec.
Ramore Head, Smith, Belfast, McLean, Kennedy & Co.
Briardene, Antwerp, Carbray, Routh & Co.
Queensmore, Shields, Furness, Whitby & Co.
Ladoga, Quebec, McLean, Kennedy & Co.
Lobelia, Waters, Sydney, McLean Kennedy & Co.
Laurentian, Main, Liverpool, H. & A. Allan.
Yorkshire, Burritt, Liverpool.
D. Torrance & Co.
Lycia, Evans,
Elder, Dempster & Co.
Broomhaugh,
McLean, Kennedy & Co.
Lake Winnipeg, Liverpool, D. W. Campbell, Kastralia, Glasgow, R. Reford & Co.
Buenos Ayrean, Glasgow, H. & A. Allan.
Carlisle City, Hamburg, D. Torrance & Co.
Admiral, Gaspé, D. Robertson & Co.

Barques.

Svithiod, 346, Svensson, T. R. McCarthy.
Eva Lynch, Hatfield, J. R. McCarthy.

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