to an extraordinary extent. Tropical and semi-tropical produce is a natural export from Mexico to Canada; equally it is a natural thing that Canadian staples should be exported to Mexico. At the present time the southern Republic does not produce sufficient corn or fruit for its requirements, and in consequence there is a demand for Western wheat in Mexico, and this demand, we believe, is being supplied by way of a steamship service from Vancouver to Mexican ports.

We have thus urged the importance of the cultivation of the Mexican market by Canada, because, possibly, in the activity induced by the development of the home market, favourable opportunities in foreign markets, if not actually overlooked, are apt not to receive so much attention as they deserve. The reform of the currency laws in 1905 placing Mexico upon a gold basis has removed what was at one time a very severe obstacle in the way of trade with the country. Canada and Mexico have much in common—rapidly growing populations, steadily increasing trade, vast resources as yet undeveloped. Closer relations in trade between the two countries cannot fail to be to the advantage of both.

THE MOLSONS BANK.

Last week we were able to discuss in some detail the excellent results shown by the operations of the Molsons Bank during the year which ended on the 30th September. Briefly, it may be recalled that the period was one of notable expansion. During the year the Bank's capital was increased from $3,500,000 to $4,000,000; the reserve from $3,500,000 to $4,400,000; assets from $38,556,337 to $44,410,832; current loans from $24,307,420 to $27,751,784; interest bearing deposits from $22,796,980 to $26,682,242; and net profits from $493,480 to $602,695. The report which came before the shareholders at their annual meeting on Monday afternoon was thus an extremely satisfactory one. It is only natural that in the circumstances the proceedings should be pleasantly brief and harmonious, and that cordial and well-merited congratulations should be given on all hands to the skilful General Manager, Mr. James Elliot to whose marked ability and unremitting efforts, the great success of the Molsons Bank is so largely due.

The short, yet interesting address made by the President, Mr. William Molson Macpherson, was of the nature of a review of the year's operations, and a survey of the future, both as concerning the Bank itself during the coming year and the country at large. The speech was marked by a conservative optimism that will commend itself throughout the Dominion. As concerning the Bank itself it will be observed that the President pointed out that notwithstanding the considerable increase in its resources—$500,000 new capital and $900,000 addition to the reserve, $550,000 of the latter being the premium from the sale of the Bank's new stock in London, and $350,000 being contributed from the profits of the year—the Bank has easily employed its funds to advantage during the year. The President made too, the gratifying announcement that in view of the indications of prosperity throughout the country and in view of the satisfactory business that the Bank is enjoying that the shareholders may reasonably anticipate an increase in the dividend from 10 per cent. to 11 per cent. per annum.

Such an announcement is, of course highly satisfactory to the shareholders, but it is, in our opinion, of wider importance as an indication of the views of the management of the Molsons Bank with regard to the future in the Dominion. It is not possible that the managers of an institution of so high standing and so conservative outlook as the Molsons Bank would take a step of this kind unless they had thoroughly assured themselves that present conditions in the Dominion are inherently sound and that the outlook is of the most favourable character. The President, indeed, in his review of present circumstances, found in everything which he touched upon an indication of prosperity—the Government revenue is large; the banks show consistent growth and a high degree of prosperity; the savings of the people made through various channels have during the last twelve months largely increased; capital is flowing in an unintermittent stream into the country for investment; immigration continues on a large scale and the immigrants are of a better class than formerly; the railways are making much needed increases of mileage and transportation facilities; and Canadian agriculturalists have this year enjoyed great prosperity.

A further interesting point in the President's speech may be noted, that Mr. Macpherson anticipates little, if any, change in the Banking Act this year. The Act as it stands, he pointed out, is well understood. It has contributed amply to the promotion of new business throughout the country and provided for the banking requirements of business generally.

The annual report was adopted with but little comment, such remarks as were made by shareholders being of a congratulatory and appreciative character. Subsequently cordial votes of thanks were passed by the shareholders to the directors and staff. The retiring Board of Directors was re-elected as follows:—Messrs. J. P. Cleghorn,