

The directors' report presented to the shareholders at the annual meeting on the 15th of June, 1898, was as follows:

REPORT.

"The board of directors have the honor to present their report upon the operations of the bank during the past year, up to the 21st of May, 1898:

Balance at the credit of the account "Profit and Loss," at the 31st of May, 1897.....\$11,292 79
Net profits during the past year, up to the 31st of May, 1898, managing expenses, interest on deposits and losses being deducted\$45,397 45

\$56,690 24

"That amount has been distributed as follows:

Dividend $2\frac{1}{2}$ per cent. paid on the 1st of December, 1897...\$12,500 00
Dividend $2\frac{1}{2}$ per cent. paid on the 1st of June, 1898..... 12,500 00
Added to the Reserve fund.... 15,000 00
Balance at the credit of the account "Profit and Loss"..... 16,690 24

\$56,690 24

"The above figures, as well as those contained in your general manager's report, show a most satisfactory state of affairs as a result of the financial year just ended. Anxious to close the liquidation which the present manager had undertaken, we have thought it our duty to ask your co-operation in reducing for this year the dividend to 5 per cent., but this sacrifice will only be temporary and we can already foresee that it will not be imposed upon you in the future.

"The success of our work during the past year has been such that after attending to our overdue debts, not guaranteed, which in the last statement of affairs amounted to \$65,131.80, and paying a 5 per cent. dividend, we have been able to increase the reserve fund by \$15,000, which sum raises that fund to 50 per cent. of the capital, and makes our contingent \$16,000.

"The increase of nearly a million dollars in the amount of deposits during the past year shows that the public has given us in a large measure, a share of the business which has been transacted during the past year. The circulation of our notes, limited by the amount of our capital, has been the highest, though we have been obliged to keep in our safes a considerable amount of assets in order to be able to meet any emergency.

"Your directors wish to express their satisfaction with the work which has been done, and it is but fair to say that your general manager, aided by the acting officers of the different branches, has realized every advantage possible, under the state of affairs.

"Answering to reiterated solicitations, we have opened a branch in Ottawa, situated near the French-Canadian commercial centre of the capital, and destined to render important services to our French-speaking countrymen. The first operations of the branch show that the public appreciates its usefulness, and we have reason to hope for the best results for the bank as well as for the public.

"The head office and the different branches have been regularly inspected and we can congratulate ourselves on the zeal and intelligence with which your manager and other officers of the bank have fulfilled their respective duties.

"Respectfully submitted,

"(Signed) ALPHONSE DESJARDINS,
"President."

After reading the report, the president made a few remarks upon the prosperous situation of the bank, and invited Mr. Bienvenu, the manager, to read his report, which follows:

General statement of the affairs of the Jacques Cartier Bank, up to the 31st of May, 1898.

Liabilities.

Notes of the bank in circulation	\$ 446,665 00
Deposits of the Federal Government	24,827 40
Deposits of the Provincial Government	147,720 26
Deposits bearing interest	2,821,450 94
Deposits not bearing interest	633,229 45
Owed to correspondents of the bank in foreign countries	50,922 27
	\$4,124,815 32
Capital paid up	\$ 500,000 00
Reserve fund	250,000 00
Reserve for deduction of discount on notes falling due	25,000 00
Profit and loss—disposable balance of profits	16,690 24
Total, capital and surplus....	\$ 791,690 24
Unclaimed dividends	530 52
No. 65 dividend, payable on the 1st of June, 1898.....	12,500 00
	\$4,929,536 08

Assets.

Gold and silver coin.....	\$ 26,560 22
Dominion notes	304,786 00
Deposit with the Federal Government to guarantee circulation	22,215 08
Notes of and cheques on other banks	179,841 02
Due by other banks in Canada.....	37,578 12
Due by other banks in Europe and the United States	42,029 64
Loans on demand upon stocks, shares and debentures	371,000 00
Loans to municipal corporations.....	367,600 00
Debentures of the Federal Government and of municipal corporations	126,400 00
	\$1,478,010 08
Discounted notes, deduction being made of the interest on notes not due, \$25,000	\$3,198,901 10
Notes in sufferance.....	18,153 16
Due by branches of the bank in daily exchange.....	26,099 20
Loans on mortgage.....	39,877 25
Real estate.....	23,636 56
Buildings of the bank, head and branch offices.....	110,000 00
Furniture, stationery, etc.....	34,858 73
	\$4,929,536 08

(Signed) TANCREDE BIENVENU,
General Manager.

Mr. Bienvenu made in substance the following remarks to the shareholders: Gentlemen,—The progress realized during the past year rises above that of the preceding year. On the 31st May, 1897, the assets of your bank were summed up in the following figures, \$3,902,000, and on the 31st May, this year, they were \$4,929,000, i.e., an increase of over a million.

Circumstances, however, have been more favorable this year, especially during the last six months. Excessive competition has not ceased to reduce the profits of daily transactions, for all the banks are every day making new concessions to their patrons.

We have successfully passed through those difficulties, and our profits have been \$12,000 more than those of last year. We must add that our reserve fund of profits is more than \$291,000, i.e., nearly 60 per cent. of the paid capital. This is certainly a fact of a nature to give you confidence in the future.

The situation of the bank is actually such that we are able to derive benefit from any improvement in the general state of affairs.

We have perfected the branch service and, like more important institutions, we propose to suit our operations in the different offices according to the situation in the localities, extending advances to the

trade in places favored by a special activity, and all the branch offices becoming exclusively "saving banks." Our agents must be led by those principles, and after a time, we will obtain satisfactory results.

During the past financial year, we have competed with important commercial institutions in the tendering for Federal Government $2\frac{1}{2}$ per cent. bonds, and have had for our share £25,000 worth of those bonds on remunerative conditions. That kind of operation has become necessary, as our business is increasing, and on account of the considerable reserve fund we always keep in hand.

Repairs in the bank building have become necessary, and will cost from \$10,000 to \$15,000. An elevator will be installed in the building, and the top floor, which has never been used, will be put into good condition. Our tenants desire those improvements, and they are willing to pay a higher rent.

Such has been, gentlemen, our situation during the past year, and we have had the advantage of zealous and persevering officers.

It was proposed by Hon. Mr. Desjardins, seconded by Mr. A. S. Hamelin, that the preceding report be adopted and published for the information of the shareholders. Carried.

Proposed by Mr. H. Laporte, seconded by Mr. H. Larose, that thanks be voted to the president, vice-president and directors for the services they have rendered to the bank during the past year. Carried.

Thanks were also voted to the general manager, to the inspector, and other officers of the bank for the zeal which they have shown in the fulfilment of their respective duties.

The following gentlemen were elected directors of the bank for the ensuing year: Hon. Alph. Desjardins, Messrs. A. S. Hamelin, Dumont Lavolette, G. N. Ducharme and L. J. O. Beauchemin.

Thanks were voted to the scrutineers and the meeting was adjourned.

Commercial.

TORONTO MARKETS.

Toronto, June 23rd, 1898.

DAIRY PRODUCTS.—Receipts of dairy butter have been more liberal, and in the face of lack in the local consumptive demand, the bulk of this butter has been placed by the merchants in cold storage. For dairy butter there is at present positively no outlet in the export markets unless at a considerable loss in value. Business is speculative and dealers who purchase heavily must shoulder responsibilities. Receipts of May creamery butter continue fairly liberal. The market seems to be a little bit firmer, and exporters are apparently more anxious buyers than they were some weeks ago. We are at a loss to understand the reason for this, as our mail advices of June 10th indicated a slow market abroad. We append the following from a letter of June 10th: "In the markets of the United Kingdom, business in imported butters has been very sluggish for weeks, mainly owing to three causes. Firstly, the large crops of winter fodder last season, which enabled dairy farmers and cottagers to keep great numbers of in-calf heifers and cows through the winter, which would otherwise have been sent to the fat stock market, and this increase in the milking herd of the United Kingdom is now being felt in the country markets where very large supplies of home produced butter are on offer. Secondly, the prices which home-made cheese brought last season were mostly unremunerative, consequently many who last season produced cheese are this year making butter instead. Thirdly, the high price of bread—a penny to three halfpence per quarter loaf higher than last year—is having a minimizing effect on the demand, for bread is a necessity, while butter,