

The Sovereign Bank of Canada

OFFICE OF THE 2ND VICE-PRESIDENT AND GENERAL MANAGER,

MONTREAL, November 10, 1906.

To the Shareholders, The Sovereign Bank of Canada:

WE have pleasure in enclosing herewith statement of the Bank's position as at the close of the fiscal half-year, ending 31st October, together with comparative statistics for the past five years. The figures require no special explanation, and we feel sure the progress and stability which they indicate will afford the proprietors and friends of the Bank complete satisfaction.

The Bank's American and Foreign business has now attained considerable importance. Our connections abroad, as well as our facilities at home, enable us to handle British, Continental and American transactions entrusted to us on a favorable basis, and the results so far have been satisfactory to all concerned.

Our principal business is, of course, confined to Canada, and is concentrated in the provinces

of Ontario and Quebec, which long experience has proven to be the safest territory in the Dominion for the conduct of a general and commercial banking business. In these two provinces the Bank has 55 branches and 22 sub-offices, the latter being managed from central points, and in some instances open only two or three days a week. We have not yet opened any branches in the North-West, as competition there seems to be unusually keen, but with the undoubted progress which the country is making, these conditions will probably right themselves later on, and in the meantime we have very satisfactory banking arrangements for the conduct of business throughout that territory.

The capital of the Bank (\$4,000,000) will be fully paid up in a few months, and it is a source of great satisfaction to know that our sharehold-

ers number nearly 1,200 and include some of the most powerful financial people in the world.

The Sovereign Bank is at present the eighth largest chartered bank in Canada in point of capital. Its assets amount to \$25,343,401, a large part of which are "liquid," and the continued growth of deposits testifies to the popularity of the institution throughout the country.

The Note Circulation shows an advance of 83% over last year, and both the Circulation and Deposits have increased materially since the present statement was compiled.

The past half-year is the best the Bank has ever had, and we have every reason to think that the current half-year will be at least as good.

Your obedient servant,

D. M. STEWART,
General Manager.

Half-Yearly Statement 31st October, 1906

LIABILITIES

Capital Stock paid-up.....	\$3,942,710.00	
Reserve Fund and Undivided Profits.....	1,335,847.22	\$5,278,557.22
Notes of the Bank in circulation.....		2,850,675.00
Deposits Payable on Demand.....	\$5,685,321.09	
Deposits Payable after Notice.....	9,893,598.66	15,578,919.75
Other Liabilities.....		1,635,249.15

\$25,343,401.12

ASSETS

Gold and Silver Coin on hand.....	\$ 538,989.58	
Dominion Government Notes on hand.....	1,121,447.00	
Notes and Cheques of other Banks.....	1,155,304.99	
Balances with Bankers.....	1,101,101.00	
Cash Assets.....	\$3,916,842.57	
Cash Deposited with Dominion Government for Security of Note Circulation	80,000.00	
Provincial Government and other Securities	1,612,831.16	
Call and Short Loans Secured by Bonds, etc.	4,614,067.00	\$10,223,740.73
Commercial Loans (less rebate of interest)	\$14,640,510.40	
Bank Premises, Real Estate, Safes, etc...	473,837.57	
Other Assets.....	5,312.42	15,119,660.39

\$25,343,401.12

D. M. STEWART,
General Manager.

Comparative Statistics

LIABILITIES

31st October	Capital Paid-up	Reserve Fund and Undivided Profits	Sovereign Bank Notes in Circulation	Deposits
1902	\$1,173,478	\$ 240,000	\$ 759,995	\$1,681,730
1903	1,300,000	362,838	1,237,650	4,309,432
1904	1,300,000	420,373	1,284,840	7,196,741
1905	1,610,478	523,461	1,550,790	10,134,209
1906	3,942,710	1,335,847	2,850,675	15,578,920

ASSETS

31st October	Cash on Hand and at Bankers	Bonds, Debentures, etc.	Loans at Call	Commercial Loans and Discounts
1902	\$ 383,097	\$ 439,363	\$1,630,199	\$1,358,469
1903	622,774	713,397	1,747,342	4,074,048
1904	1,214,822	672,034	1,179,540	7,014,123
1905	1,491,398	791,153	1,566,144	9,578,850
1906	3,916,842	1,612,831	4,614,067	14,640,510

GENERAL

31st October	Total Assets	Excess of Assets over Liabilities to the Public	Branches and Sub-offices	No. of Shareholders
1902	\$3,855,203	\$1,413,478	17	757
1903	7,209,920	1,662,838	28	819
1904	10,201,954	1,720,373	42	854
1905	13,818,938	2,133,939	53	1,004
1906	25,343,401	5,278,557	78	1,195

N.B.—This Bank commenced business 1st May, 1902.

D. M. STEWART,
General Manager.