

Financial and Trade Situation in Canada. The various annual bank statements appearing within the past fortnight give strong practical evidence as to the essential soundness of financial affairs in Canada. Especially is this the case, when it is remembered that these accounts were made up at the very time when the strain upon their resources was the most severe, owing to crop-moving operations and the influence of the New York crisis.

Eastern money market conditions remain about as before, with the general financial situation apparently well in hand. Caution and conservatism are still favoured watchwords, and likely to remain so for weeks to come. Local stock market transactions show comparatively slight changes from last week and a fair volume of investment purchases indicates continued confidence.

Western trade conditions are referred to in more detail elsewhere in this issue. Regarding the general Canadian situation, Bradstreet's last weekly report was to the effect that:

"Wholesale trade is quieting down as stock-taking time approaches, but there is a fair re-order business doing, owing to the stimulating effects of cold weather. Retail and holiday trade is good, and the latter is expected to be large. Collections as a whole are classed as fair. The money situation is still rather strained, but signs of improvement are to be seen. Grain is moving well at the Northwest. There was 26 failures for the week, as against 46 last week, and 32 in this week a year ago."

Clearings for the week ending December 5, were given as follows, with percentage of change from the corresponding week of 1906:

Montreal	\$31,344,000	Dec.	5.3
Toronto	23,584,000	Dec.	22.3
Winnipeg	15,761,000	Dec.	0.2
Ottawa	3,260,000	Dec.	15.4
Vanouver	3,930,000	Inc.	16.7
Halifax	1,938,000	Inc.	6.1
Quebec	2,806,000	Inc.	5.0
Hamilton	1,944,000	Dec.	4.1
St. John	2,495,000	Dec.	7.4
London	1,466,000	Dec.	28.6
Victoria, B. C.	940,000		
Calgary, Alb.	1,465,000	Dec.	18.6
Edmonton	1,406,000	Dec.	9.8

Bank of Toronto. The annual meeting of the Bank of Toronto will be held on Wednesday, January 18. The preliminary yearly statement shows net profits for the year amounting to \$586,635. Adding to this the balance of \$73,048 from 1906, and the premium of \$56,470 on new stock, there results the sum of \$716,153 appropriated as follows: dividends, \$398,974; pension fund, \$10,000; written off bank premises, \$100,000; rest account, \$56,470; carried forward to next year, \$150,708. The strong rest account of the bank now stands at \$4,500,000, a half-million of dollars more than the paid-up capital of \$4,000,000. Liabilities to the public are given at \$29,290,579; total deposits being \$25,407,593. Assets total \$38,097,288, those readily available amounting to \$9,106,412—of which \$3,400,761 is in gold, silver and Dominion notes. Loans and discounts amount to \$28,181,665, and call loans to \$1,201,492.

The Carnival Fads. It is gratifying to know that the Montreal Winter Carnival scheme has been frowned down. Canada has hardly recovered from the effects of former dissipations in this line. The carnivals put money into the pockets of a few hotelkeepers and enabled some enterprising newspapers to distribute thousands of copies of "Carnival Numbers" in Great Britain, admirably calculated to create the impression that Canada is a country not fit for a white man to live in.

THE MERCHANTS BANK OF CANADA.

It will be remembered that at the last annual meeting of the Merchants Bank of Canada, it was decided to change the ending of the bank's year from May 31, to November 30. Accordingly, the statement to be submitted at the annual meeting on Wednesday next, is for the half-year ending with last month. The net profits for the half-year, after all usual allowances were made, amounted to \$473,144, or at the rate of 154-5 p.c. per annum on the capital. With a balance brought forward on May 31, of \$34,256, there was available for distribution a sum of \$507,400, out of which \$240,000 was paid in dividends, leaving a balance to be carried forward to next year of \$267,400.

Liabilities to the public are given at \$41,868,197, a decrease of about one million dollars since May 31, though notes in circulation have increased from \$4,152,560 to \$5,499,940. Assets during the same interval have decreased by about three-quarters of a million. Of the total assets of \$52,135,598, the amount of \$19,267,160 is classed as readily available. Total deposits amount to \$36,254,343, as compared with \$37,616,546 on May 31, a comparatively small decrease of \$1,362,203. The capital and reserve fund remain unchanged at \$6,000,000, and \$4,000,000 respectively, but the surplus profits increased from \$34,256 to \$267,400. There is a total decrease in call loans of \$891,300, while current loans and discounts in Canada on November 30, amounted to \$31,246,107, as compared with \$30,337,978 on May 31, an increase of \$908,129.

All in all, the statement is well in accord with the generally reassuring testimony afforded by recent bank reports as to financial conditions in Canada.

RE PROPOSED PROVINCIAL INSURANCE ACT.

A meeting of the managers of several mutual fire insurance companies doing business in the Province of Quebec, was held in this city, on the 11th instant, to discuss certain features of the proposed new insurance act. Mr. Armitage of the Stanstead & Sherbrooke acted as chairman, and Mr. Tache, of La Provinciale, as secretary. Certain recommendations, prepared by the chairman and secretary, were discussed, and unanimously approved of, to be forwarded to the Provincial Government for their consideration in connection with the Act. The following companies were represented. Canada Mutual, Jacques Cartier Mutual, La Fonciere, Missisquoi & Rouville, Montmagny, La Provinciale, Stanstead & Sherbrooke, Dominion Mutual and La Providence.