

have a rest for a time; but the new bonds, etc., which are placed on offer bear attractive rates of interest, and investors seem to find means of taking them up.

NEW YORK SITUATION.

The tendency in the New York markets was towards ease, as regards call money but time money is firmly held. Call loans are $3\frac{1}{2}$ per cent.; sixty day loans, $5\frac{1}{2}$ per cent.; 90 days, $5\frac{1}{4}$ per cent.; and six months, 5 p.c. The Saturday bank statement was favorable from the stock market point of view. In case of all members of the clearing house loans were reduced by \$10,616,000 and the cash holdings increased \$7,090,000—the net result being a rise in the surplus reserve from \$7,645,150 to \$15,980,300, an increase of \$8,335,150. In case of the banks alone the reduction of loans amounted to \$5,849,000; the cash gain to \$6,336,000, and the increase of surplus, \$6,037,000.

WEAKNESSES IN RAILWAYS' CASE.

The stock market at New York has not yet fully recovered from the disagreeable effects of the passing of the New Haven dividend. The stock of that railway company is widely held throughout the whole of the Eastern States; and its 40 years of unbroken dividends made the omission on the present occasion a very conspicuous occurrence. It is generally recognized that the New Haven's troubles were due largely to the policy of expansion said to have been forced upon it by the bankers who were in control of the railway. This episode, and the revelations in connection with the Frisco System (in which case insiders and their associates made huge profits through selling new lines, etc., to the parent concern at inflated prices) have hurt the cause of the railways in the higher freight rate agitation. The critics say that if the railways were properly and honestly managed and controlled they could increase their revenues materially without raising freight rates.

FIDELITY-PHENIX UNDER NEW MANAGEMENT IN MONTREAL.

Messrs. Robert Hampson & Son, Limited, and the Fidelity-Phenix Fire Insurance Company, of New York, have come to a mutually satisfactory agreement by which they part company on the 31st December instant.

Mr. Joseph Rowat will from the first of January manage the business of that company in the Province of Quebec.

Messrs. Robert Hampson & Son, Limited, have ample facilities for taking care of all the business hitherto entrusted to them in the Insurance Company of North America, Providence Washington Insurance Company and Fireman's Fund Insurance Company. Their office is one of the best known in Canada and has an enviable reputation both as regards handling business and settling losses.

THE ROYAL BANK'S REPORT.

The newly issued report of the Royal Bank differs from its predecessors of several years past in the fact that the changes therein shown in comparison with last year are not of so striking a character as was the case in every year between 1908 and 1912. In those four years, the assets of the Royal Bank were raised from \$50,470,211 to \$179,210,758, and every branch of its business showed a corresponding expansion under the sagacious and farseeing guidance of Mr. Edson L. Pease, the Bank's vice-president and general manager. The past year has not seen any such notable *coup* of the Royal Bank's management as the taking over of the Traders Bank in 1912, although by purchase further extensions of the Bank's system of branches in the tropics have been made. But in other ways the year has been a notably successful one for the Royal Bank, upon the result of which those responsible for its guidance may be heartily congratulated. For the first time in the Bank's history, the profits crossed the \$2,000,000 mark, reaching a total of \$2,142,100 after making the usual deductions—a ratio of earnings on the paid-up capital of the Bank slightly in excess of $18\frac{1}{2}$ per cent. Of the net profits the 12 per cent. dividend absorbed \$1,387,200, there was transferred to the Officers' Pension Fund, \$100,000 and written off bank premises' account, \$250,000. The large balance of \$1,015,120 is carried forward on profit and loss account, an increase of over \$400,000 on the balance of \$610,219 brought forward from last year.

The following figures show the leading items of the Bank's present balance sheet in comparison with last year and also with 1908—five years ago:—

	Nov. 30, 1913.	Nov. 30, 1912.	Dec. 31, 1908.
Capital paid up . . .	\$ 11,560,000	\$ 11,560,000	\$ 3,900,000
Reserve	12,560,000	12,560,000	4,600,000
Total Deposits . . .	138,177,662	137,891,668	37,443,442
Circulation	13,176,635	12,584,618	3,556,433
Liabilities to the public	154,761,440	154,137,719	41,693,796
Specie	7,802,068	5,204,964	3,221,717
Dominion Notes . . .	11,664,142	14,443,785	3,760,344
Call Loans	19,819,690	23,978,642	3,286,141
Quick Assets	72,385,792	73,428,782	21,944,440
Current Loans	102,540,985	99,828,880	26,736,165
Total Assets	180,246,786	179,210,758	50,470,211

*Plus \$2,000,000 deposited in Central Gold Reserve.

The Bank is in an admirably strong position in regard both to cash and quickly available assets. As against total liabilities to the public, amounting to \$154,761,440.04, are cash reserves of \$21,466,209.72, being 13.83 per cent., while the liquid assets amount to \$72,385,791.71 and bear the ratio of 46.66 per cent. to the liabilities.

In comparison with a year ago, deposits show a very slight change, at \$138,177,662 being some \$300,000 higher than in 1912. Call loans are some \$4,000,000 lower. Current loans, including provincial and municipal loans are about \$2,700,000 higher than a year ago, and the total assets show an expansion of about \$1,000,000 to \$180,246,786. The position shown is one with which stockholders of the Bank may well be gratified.