

# THE EXCHANGE NEWS.

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The individual with money, much or little, is having a hard and trying time just now. He is surprised and bewildered by the number of gentlemen of experience, who immediately they locate him flock around him like flies round a sugar barrel.

He is touched by the deep interest they take in his affairs, their anxiety that his wealth should be increased, and the disinterested (if) way in which, in order to accomplish this end, they place their time and talents at his disposal.

He can scarcely credit his senses, and imagines at times that the millenium is close at hand.

He laments over the fact that his capital will not permit of his taking advantage of all the generous offers made to him.

In addition to the personal calls, he is inundated with letters, the writers of which profess the greatest interest in his financial welfare.

Some have systems which have been tried, proved, and have never failed, and by the employment of which fortunes can be made in Wall Street or Chicago, and so great is their confidence in their particular system that they are prepared to give all sorts of guarantees (except a money one) that large profits will result.

Others again have secured a mine which adjoins or is near to one which is producing ore in paying quantities, and he is told that as a great favor some of the treasury stock can be secured for him at, say 15 cents a share, the par value of which is one dollar.

These individuals, according to their own account, are gentlemen of vast experience in their particular line and he is assured that his capital and their experience will perform wonders.

So it will, for by and by he will have lots of experience and probably a lighter capital to worry over.

The late Mr. Flower in the course of an interview by a reporter (if one of the great American dailies was asked :

"How is a man to know what to invest in?"

"Enterprises," said the Governor, "that are honestly managed and that are paying dividends out of profits actually made are safe enterprises to invest in."

(Good solid advice for the investor which, if followed, means death to the fakir and wild cat scheme developer.)

If a man, or a number of men, wanted to interest him in a business venture of any description the first thing he wanted to know was, "who is in it and is he square." If these questions were answered to his satisfaction then he would consider the proposition, and if it appealed to him he would take it up.

## BANK OF MONTREAL.

This, the leading financial institution of the country, has issued its annual statement to its shareholders. It is pleasing to note the increased earnings shown. There are many important changes in their statement as compared with that of a year ago. Rumor says a very handsome sum has been recovered from a source which the past careful view of the value of assets had written off, in addition to this the sale of railway securities must have also netted a good profit, as they were evidently well sold. Last May the realizing on this score commenced, and a policy of selling as the market advanced seems to have been pursued. By September one million had been sold, in October a further half million more marketed, by January another half million had been sold and the end of the fiscal year finds them with \$1,705,028 on hand, against \$3,484,646 the year previous. The funds in foreign countries have been as high as \$11,480,000. What proportion has been in the United States and what proportion in Germany we have no means of finding out, but as rates in the latter country have at times during the year ruled high, we presume large sums have been lent in Berlin. The balances in Great Britain have ranged between \$5,600,000 to \$9,500,000. As much of such money is frequently idle, and as nearly nine millions are still there earning from 2½ per cent. to nothing, it is a pity some of it, at least, is not brought home where it can easily earn 5 per cent. Current loans and discounts have taken a bound and are over three millions and a half greater than a year ago, and we should say larger than ever before in the history of the Bank. The deposits flat and at interest have increased nearly \$6,000,000. This shows the enormous amount of cash floating around seeking investment. It is hard to believe that those having such vast sums at their disposal

will long be content with the small rates of interest that Banking institutions can afford to give them. The Banks have now \$248,000,000 on deposit, \$86,000,000 of which is on demand, or ordinary, from day to day accounts, and the balance on notice. The system of allowing interest on the minimum balance during the month is a pull which the Banks have, which reduces the average interest paid to about 2½ per cent. per annum, and the difference between this rate and that at which it is loaned should be a source of great profit.

On the whole, it seems to us that the management of the Bank of Montreal must soon do something handsome for their shareholders, who have for a long time only been receiving the ordinary 10 per cent. dividend. With the large rest and a reserve of over a million 10 per cent. on the capital only means earnings of about 6½ per cent. on capital and reserves. An examination of the investment of their active assets is of interest and means at a moderate computation as follows: (in thousands.)

Government deposit securing circulation.....	\$ 230 3 p.c.	\$ 8,400
Invested abroad.....	19,375 2½ "	483 649
Government securities.....	486 3 "	14,058
Railway Bonds.....	1,705 3½ "	59,675
Loans and Discounts.....	42,846 5½ "	2,305,940
Overdue debts.....	102 5 "	5,149
		<u>2,927,421</u>
Deduct interest on deposits....	35,456 2½ "	887,170
		<u>\$2,040,251</u>

To this must be added profits on ordinary banking business, such as Sterling, American and Inland Exchange, and if, as understood, a profit of good dimensions has been made on a written-off asset and by sales of Bonds, the usual liberal allowance must have been made for contingencies, and the institution is in a very sound and enviable position.

## THE GRANBY CONSOLIDATED MINING AND SMELTING CO.—SITE FOR SMELTER DECIDED UPON.

We understand that Mr. Jay P. Graves, who is acting for the above company, in the selection of the smelter site, has definitely decided upon the same. The site selected is on the north bank of the north fork of the Kettle River, at a point one and a half miles from Grand Forks, and is on a bank 250 feet above the level of the stream, which will give ample ground for the dumping of the slag. The capacity of the smelter will be 600 tons per day, and its construction will be such that its capacity can be increased to 3,000 tons per day. One of the conditions of the agreement is that Grand Forks will pay for any damage which may arise through the pollution, diversion, or overflow of the river, in case the smelter is responsible.

Work in connection with the construction will begin in about one month.