

# FINANCE AND INSURANCE

**T**HE day has gone by when Canadian financial, insurance and banking institutions confined their operations to the limits of the Dominion. During the past couple of years the tendency to expand and to invade other countries has become quite marked.

Some of our banks have now branches in different parts of the United States and in the West Indies. Our insurance companies have followed suit. Among the latest of the latter class to invade the United States is the Manufacturers' Life Insurance Co., of Toronto. It is now arranging to establish a branch in Michigan, and a deposit of \$100,000 in bonds of the Michigan Central Railway Co. has been made by that company with the State Treasurer as a preliminary step to doing business there.

During the last session of the Dominion House of Commons it will be remembered that the C.P.R. obtained authority to increase its capital by \$20,000,000 in order to procure funds for improving its system. Large as this sum was, it is proposed by the Pennsylvania Railroad Co. to expend an amount far in excess of this figure. The sum it proposes to expend is \$67,000,000 on its line east of Pittsburgh.

It is asserted that some of the steel manufacturers in the United States have succeeded in turning out a steel tie for railroads at a price which will allow of its general use. Of course, this is something that has long been desired, and if the present efforts are as successful as claimed, it should, no doubt, appreciate the value of the steel stocks on the markets. It is estimated that in the United States alone about \$10,000,000 per year would be expended on steel ties if they come into general use.

The annual report of the Merchants' Fire Insurance Co. showed a most gratifying condition of the company's affairs. The gross premium income was \$55,725.31, and the number of policies in force, 7,896.

The coming of age of The Toronto General Trusts Corporation, which was established in 1882 by the present managing director, J. W. Langmuir, was marked by the submission to the shareholders at the annual meeting on February 25 of a financial statement of the year 1902, indicating continued prosperity and increasing confidence in this pioneer amongst Canadian corporations which undertake the duties of a trustee. The profits of the year's operations of the company under consideration, while of a very satisfactory character to the shareholders, bear a very moderate ratio to the \$20,000,000 of estates in its care.

During the year 1902 the deposits with The Canada Permanent and Western Canada Mortgage Corporation increased \$176,610.71, while the amount invested in its currency bonds increased \$395,619.32. Thus, the amount of Canadian funds for which this company has afforded a safe and profitable investment has increased in one year by the large sum of \$572,430. Following as it does similar large increases in previous years, this may be taken as another indication of the remarkable prosperity our Canadian people are enjoying. We say "Canadian" people, because neither its depositors nor bondholders are confined to the city of Toronto, but are to be found in every Province and Territory of the Dominion. It

also clearly indicates the confidence which all classes of the people have in the Canada Permanent, a trust which is well merited, as it is based upon a solid foundation of capital, reserve fund and assets. Its paid-up capital of \$6,000,000 is equalled by only three of our largest banks. Its depositors, either in Toronto or elsewhere, are afforded every customary facility. Accounts may be opened and money deposited and withdrawn by mail without any inconvenience. Its bonds are a legal investment for trust funds.

In their weekly letter of February 27 Amelius Jarvis & Co., Toronto, say, in part, as follows, regarding the local stock market as far as banks are concerned:

The public here have also shown considerable attention to certain bank stocks. Dominion Bank has advanced several points. We have not been able to obtain reliable information as to the cause of its sudden rise. A bonus is hinted at, but no official information can be obtained. Bank of Ottawa sold yesterday at 220, closing with a bid at that price, none being offered under 223. This is, of course, ex-altogether, and is high-water mark for the stock. At the risk of repetition we would say that we believe this stock is not as high as it deserves to be when one considers the splendid condition of the finances of the bank. The stock of the Bank of Commerce has always been selected by us as an excellent investment for our clients. We have also felt that, besides a fair return upon their money, considering the security afforded, they have, in addition, a very good chance of substantial increase in the price. Within the last few days there has been heavy buying of the stock. Under its influence the price advanced sharply, sales taking place yesterday at 168½, the stock closing with 168½ bid, 169 asked; while this morning the price advanced still further, the stock selling at 170. This bank has for some years shown a policy successfully combining sound business methods with great progressiveness. A short time ago they absorbed the Bank of British Columbia, which had a very strong hold upon the business of British Columbia. There is still a portion of Canada where the bank is practically unrepresented, that is the Maritime Provinces. Yesterday an announcement was made of an increase of the capital of the bank from \$8,000,000 to \$10,000,000.

The bank of Toronto will shortly open three new branches in Toronto and Montreal. One at the corner of Queen and Spadina avenue, Toronto, as soon as their new building at that prominent corner is completed, and one at the corner of St. Catherine and Guy streets, Montreal. The office is in the Board of Trade Building, Montreal, to which reference was made in our last issue. This bank is giving public notice of its intention to apply to the Treasury Department for authority to increase its authorized capital from \$3,000,000 to \$4,000,000.

## FINANCIAL AND INSURANCE NOTES.

The Royal Bank will shortly open branches at Pembroke and Prescott.

A new branch of the Merchants' Bank of Canada has been opened at Olds, Alberta.

H. H. Beck has been reappointed managing director of The Manitoba Insurance Co.

E. R. Blanchard, cashier of the Bank of St. Hyacinthe, Que., died suddenly on February 15 of hemorrhage of the brain.

Herbert Fox, accountant of the local branch of the Standard Bank, Kingston, is joining the staff of the head office in Toronto.

The clearing house of Winnipeg was established in 1893, and the first full year's clearing was \$50,311,000. This increased to \$188,370,000 in 1902.