

INVESTMENTS.

In 1878, for various reasons, a veritable panic seized the investing and speculating community, and prices for Bank and other shares took a tumble long to be remembered. These were anxious times for brokers and investors. The paid up capital of the chartered Banks in 1875 was \$66,800,225, of which only \$2,976,651 were loaned on by the chartered Banks, and about as much more by Savings Banks and Loan Companies. Ten years later the paid up capital of the chartered Banks had fallen to \$61,763,279, of which about \$10,000,000 were carried on margins.

The Metropolitan Bank, which failed in 1877 (but which might easily have been saved, except for the unpropitious times) was the forerunner of many disastrous events. The two years following were marked by great uneasiness, and many Banks which are now prosperous were openly spoken of as likely to close their doors, and two at least were only saved by the "skin of their teeth." The Mechanics' Bank failed in May, 1879, and disclosed a state of affairs which proved to be of a most reprehensible character. Its directors and their friends were heavily mixed up in all kinds of ventures, and for years previously financing of all kinds had been resorted to, to bolster the institution up. Though many dishonest transactions were unearthed, the main cause of its utter ruin was the collapse in prices for real estate, in which its clients were interested to a then unwarranted extent. Its liabilities at the date of suspension were reported at \$547,238, its assets at \$721,155; it only, however, managed to pay 57½ cents on the dollar to its noteholders and depositors.

In August, 1879, the Consolidated, which had four years previously been formed by the consolidation of the City Bank and the Royal Canadian, was forced to suspend. Its reports showed liabilities of \$1,794,249, with assets of \$3,077,202. Of its career the less said the better; amongst its assets were all kinds of truck, its specie was composed of bonds and its bills receivable of notes, made largely by very enterprising gentlemen of the Jewish persuasion, which had got into their vaults through the recommendation of one of their directors, who vouched, no doubt, for their financial strength, but whose name did not appear as endorser on the paper, though he was supposed to have done considerable business with them. Its direction was strong in personality, and so was its management, and investors were told, when the stock was around 75c, that, to buy it was like "picking up gold dollars;" in fact, so sure was the management of this that brokers were offered liberal inducements to buy stock on the open market, which the Bank would willingly furnish the money to pay for, on receipt of the buyers' notes for the amount. It was soon discovered, however, that the insiders, still manifesting great interest in the welfare of their clients, were furnishing the gold dollars at any price bid for them on the open market. It finally paid all creditors and returned about 22½ cents on the dollar to shareholders. In October of the same year the Bank of Liverpool, Nova Scotia, failed. It was a small institution of \$470,560 paid up capital, and by dint of forcing those shareholders who were able to meet their double liability, to pay up; paid its creditors in full.

In July, 1879, the Stadacona Bank, Quebec, made a voluntary liquidation. Its capital was \$1,000,000 nearly fully paid. It showed assets of \$1,335,675, and liabilities of \$341,500. It paid its creditors in full and its shareholders lost very little. As the City of Quebec had sufficient banking facilities, and the directors were opposed to extending the operations of the institution by opening branches, it was decided to liquidate and close up.

The most recent instance of bank

BONDS AND DEBENTURES.

AMOUNT ISSUED.	%	INTEREST PAYABLE.	*BONDS.	LAST SALES.	REDEEMABLE.	WHERE PAYABLE.
600,000	7	May Nov.	Mont. Corporation Consol'd. Stock.	182	Permanent.....	Bank of Montreal.
240,000	5	Jan. July	do do do	106	1910.....	" "
1,050,000	4	May Nov.	do do do	100	1925.....	" "
7,080,000	3	" "	do do do	100	Permanent.....	" "
136,700	5	Jan. July	Montreal Harbor Bonds Currency.....	117-120	1913 & 1914 5 Jly	" "
874,260	4	" "	Toronto City do do do	101-106	1904, 1894.....	Lloyds, Banetts & Bonanquets.
28,500	6	" "	Auer Light.....	115	1925.....	Bank of Montreal.
940,000	6	April Oct.	Bell Telephone.....	115	1932 1st Nov	" "
2,000,000	6	May Nov.	Canada Central R'y.	95	1902 April	" "
3,423,000	5	2nd April Oct.	Canada Colored Cotton Mills.....	110	1931	" "
200,000	5	1st May Nov.	Canadian Pacific R'y. Land Grant....	106½	1917	" "
20,000,000	4	Ja. Ap. Ju. Oc	Canada Paper Co.....	103	2397	" "
£300,000	4½	Jan. July	Commercial Cable Coupons. }	106	1916 1st Jan	Bank of Nova Scotia.
600,000	5	1st Jan. July	do do Registered. }	100	1916 Jan.	Bank of Montreal.
350,000	5	1st Apr'l 1st Oct.	Dominion Cotton.....	106	1918 April	" "
	6	2nd Jan. July	Halifax Electric Tramway.....	100	1910.....	" "
292,000	5	1st Mch 1st Sep.	Intercolonial Coal Co.....	80	1908 1st Mch	" "
681,333	4½	1st Feb. 1st Aug.	L. Champlain & St. Lawrence Jc.	100	1922 1st Aug	Merchants Bank of Halifax.
700,000	5	1st April Oct.	Montreal Loan & Mortgage.....	100	1917 April	" "
554,313	5	1st Mch Sep.	Montreal Street R'y.	108-106	1915 1st Mch	" "
674,360	5	1st April Oct.	do do do	103	1931 31st Aug	Bank of Montreal.
2,799,933	4½	Mch Sep.	Peoples Heat & Light.....	100	1912.....	" "
450,000	4½	1st Jan. July	Richelieu & Ont. Nav.....	100	1912.....	" "
			Royal Electric.....			
			Toronto Railway.....			
			Windsor Hotel.....			

* The accrued interest upon all Bonds, Debentures, Dominion Stock and Montreal Corporation Stock sold in this Market is payable by the purchaser in addition to market price.

† Ex-Dividend.

failure is that of the Banque du Peuple, which in 1895 showed net profits of \$114,280.18, about 9½ p. c. on its capital, with a Rest of \$600,000, and Capital of \$1,200,000. In their annual statement for that year the directors say:

"That their profits are made after deducting all bad or doubtful debts. The affairs of the Bank are most progressive, and a number of accounts constantly augmenting. That they have confined their business to promote legitimate commercial interests and agricultural pursuits. Agencies and head office have been minutely inspected, and that they were happy to recognize the good services rendered the administration by their numerous employees and officers, and to their fidelity was largely attributed the success of their operations."

The auditors' report reads as follows: "We, the undersigned auditors, named at your last general meeting, have the honor to report that after a minute and complete examination of your books, and after having examined the liabilities and assets of your bank, declare having found everything regularly recorded and meriting our approbation."

Signed:

P. P. MARTIN,
NOLAN DELISLE,
LOUIS ARMSTRONG,
Auditors.

Within one year from the issuance of these remarkable statements, it was found that the bank had not sufficient money to pay 20c on the dollar to its creditors, to whom it is yet largely indebted, though every effort has been made in the last two years to realize the assets in the most careful way. As an instance of the value of their assets, \$600,000 of the same were sold at public auction and brought \$500. Yet these were some of the assets that the auditors had minutely inspected and found to their satisfaction. Further comment is unnecessary.

It will be seen from the foregoing that statements made by the managers of banks which, on the face, appeared prosperous in the extreme, were as a matter of fact rotten to the core; and though we do not mean to infer by this that Bank Statements generally are of a like nature, still it will be seen that shareholders and investors are to a very large extent at the mercy of the managers and directors of these institutions, and we maintain that shareholders are entitled to very much fuller information than is generally vouchsafed to them at the general meetings, which only occur annually.

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TORONTO STOCK EXCHANGE PRICES.

STOCKS.	Shares.	Par Value	CAPITAL.	Rest as per Last Statement.	Div. per cent.	Buyers
			Paid up.		Last half year.	
MISCELLANEOUS.						
British America.....	50	\$	750,000	\$79,381	3½	134
Western Assurance.....	40	\$	1,000,000	\$379,472	5	172½
Canada Life.....	400	\$	125,000	10	7½	136
Confederation Life Association.....	100	\$	100,000	62,500	2½qr	223
Imperial Life Assurance Co.....	100	\$	250,000	50,000	15	128
Consumers' Gas.....	50	\$	1,700,000	345,000	3	111
Ontario and Qu'Appelle Land Co.....	40	\$	400,000	220,000	3	113½
Victoria Rolling Stock Co.....	5000	\$	60,000	10,000	2½	76½
Toronto Electric Light Co., Old.....	100	\$	1,400,000	300,000	3	90
" " " " New.....	100	\$	120,000	300,000	3	111
Canadian General Electric Co.....	100	\$	900,000	730,000	4½	168
Hamilton Electric Light.....	100	\$	300,000	60,000	1½	73½
LOAN and SAVINGS CO.						
British Canadian Ln & Invest. Co.....	100	\$	398,481	120,000	3
Building and Loan Association.....	25	\$	750,000	100,000	2
Can. Landed & Nat'l. Inv't. Co.....	100	\$	1,004,000	350,000	3
Canada Permanent Ln. & Sav. Co.....	50	\$	2,000,000	1,450,000	3	111
" " " " 20 per cent.....	50	\$	600,000	345,000	3	113½
Canadian Savings & Loan Co.....	50	\$	734,175	220,000	1½qr	128
Central Canada Ln. & Sav's Co.....	100	\$	875,000	345,000	3	111
" " " " 20 per cent.....	100	\$	325,000	10,000	2½	76½
Dominion Savings and Invest. Soc.....	50	\$	930,627	300,000	3	90
Freehold " " " " 20 per cent.....	100	\$	476,100	300,000	3	111
Hamilton Provident & Inv't Soc.....	100	\$	843,000	300,000	3	111
Huron & Erie Ln. & Savings Co.....	50	\$	1,000,000	730,000	4½	168
" " " " 20 per cent.....	100	\$	400,000	160,000	3	112
Imperial Loan & Inv't Co.....	100	\$	725,155	160,000	3	112
Landed Banking & Loan Co.....	100	\$	688,000	210,000	1½
London & Can. Ln. & Agency Co.....	50	\$	700,000	81,000	3	110
London Loan Co.....	50	\$	631,500	160,000	3
London & Ontario Investment.....	100	\$	550,000	51,000	5
Manitoba & North-West Loan Co.....	100	\$	375,000	403,933	3½	124
North of Scotland Can. Mortg. Co.....	£10	\$	730,000	40,000	2	30
Ontario Loan & Debenture Co.....	50	\$	1,200,000	105,000	3	115
Peoples Loan & D. Co.....	50	\$	599,429	200,000	2
Real Estate Loan Co.....	40	\$	373,720	105,000	2
Toronto Savings & Loan.....	100	\$	600,000	200,000	2
Union Loan & Savings Co.....	50	\$	699,020	770,000	3	120
Western Canada " " " " 25 per cent.....	50	\$	1,000,000	500,000	3	90

† Including a bonus of one per cent. for six months.

* After deducting \$511,982 for reinsurance. † After deducting \$775,661 for reinsurance. ‡ Including a bonus of five per cent.

This List is compiled from the fortnightly circular issued by the Secretary Toronto Stock Exchange.

† May, 1894, 3½ dividend; April, 1891, 2½ dividend.

Banque Ville-Marie.

Notice is hereby given that a dividend of three percent (3 per cent.) for the current half-year, equal to six per cent. per annum, on the paid-up capital stock of this institution has been declared, and that the same will be payable at the head office, or at its branches, on and after

THURSDAY, THE 1st DAY OF DECEMBER NEXT.

The Transfer Books will be closed from the 16th to the 30th November, both days inclusive.

By order of the Board,

W. WEIR,
President and General Manager.

Montreal, Oct. 26th, 1898.

Edward L. Bond,

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