

THE HALF-YEARLY MEETINGS OF THE LONDON JOINT STOCK BANKS.

THE London Economist of the 25th of January. says:—

The meetings of these Institutions, held during the last week or two, have been far more disastrous than usual. The figures in the Reports are not so entirely satisfactory as in former years, and the dividends are considerably less in several cases. At the meetings of the Union Bank and Joint Stock Bank, the discussions became warm, if not excited, and shareholders were found who seem to have used language the very reverse of tolerant or shy. As regards the Union Bank, it was natural and inevitable that great dissatisfaction should be expressed at the nature and result of the transactions with the Brighton Railway, and also with the close identity which seems to have prevailed in certain leading respects between the personnel of the Direction of the Bank and the late Direction of the Railway.

Blunt remarks at several meetings were abundant on the necessity of caution, and, generally the disposition was evident to be suspicious and critical.

It is one of the defects of public companies, when applied to Banking, that the business meetings of the partners or shareholders must, of necessity, include a large and miscellaneous assemblage of persons, that real consultation and inquiry is impossible. The choice, in truth, lies between almost implicit faith in the management, or a style and line of opposition highly dangerous in the hands of the ordinary attendants on such occasions. And hence the sudden changes of policy, persons, and objects, which have so often brought to ruin institutions of great promise and solidity.

In the following Table (A), the comparative liabilities for six of the leading Banks are given for 31 Dec. and 30 June, 1887:—

A. London Joint Stock Banks—Half-years ended 31 Dec. and 30 June, 1887—000's omitted.

Banks	Capital paid up		Deposits (Cash)		Divisible Balance	
	31 Dec.	30 June	31 Dec.	30 June	31 Dec.	30 June
London & Westminster	1,408,000	1,000,000	22,010,000	21,838,000	14,146,000	10,330,000
London Joint Stock	1,261,000	1,000,000	11,590,000	10,868,000	61,320,000	57,000,000
City	1,261,000	1,000,000	10,071,000	10,811,000	69,181,000	61,110,000
Imperial	490,000	490,000	2,230,000	2,230,000	41,400,000	41,400,000
Alliance	490,000	490,000	1,177,000	1,177,000	23,200,000	23,200,000
	900,000	900,000	1,320,000	1,321,000	17,600,000	17,600,000
	3,558,000	3,510,000	50,705,000	49,736,000	363,491,000	346,550,000

We have here, a considerable increase in the paid-up capital, a small increase in the deposits, and a very marked fall in the divisible balances, and also in the balance of undivided profits carried forward to the current half-year. All these are indications which suggest the strong probability of still lower dividends in the course of 1888.

In the next table (B), we give the assets:—

(B) London Joint Stock Banks—Half-years ended 31 Dec. and 30 June, 1887—000's omitted.

Banks	Cash		Securities—Government &c.		Loans and Discounts		Dividend and Bonus Paid	
	31 Dec.	30 June	31 Dec.	30 June	31 Dec.	30 June	31 Dec.	30 June
London & Westminster	2,478,000	2,718,000	4,001,000	3,623,000	17,623,000	17,160,000	29,200,000	29,200,000
London Joint Stock	1,354,000	1,000,000	1,000,000	1,123,000	13,309,000	13,191,000	191,140,000	191,140,000
City	4,252,000	3,119,000	3,163,000	11,000,000	14,178,000	15,178,000	15,178,000	15,178,000
Imperial	422,000	422,000	318,000	318,000	8,428,000	8,428,000	7,700,000	7,700,000
Alliance	322,000	322,000	42,000	1,600,000	1,332,000	1,332,000	6,000,000	6,000,000
	402,000	317,000	402,000	2,010,000	2,100,000	2,100,000	3,000,000	3,000,000
	9,228,000	8,630,000	8,663,000	27,663,000	53,663,000	53,663,000	292,200,000	292,200,000

Note.—Under the heading "Cash," the Union Bank includes money at call and notice with the Bankers.

These figures show some increase in the investments in Government and other securities, and a large diminution in the advances on Loan and Discount. The fall, however, in the rates of dividend apportioned to the shareholders is, in most of the cases, serious. The London and Westminster Bank retains its supremacy, and even slightly increases its dividend. But its rival, the Union Bank, descends from 25 to 15 per cent. per annum, the London Joint Stock Bank, from 10 to 12½ per cent. per annum, the City Bank, from 10 to 7 per cent.; the Imperial, from 6 to 5 per cent.; and the Alliance Bank, notwithstanding the great profit which has attended its appearance and proceedings, falls from 3 per cent. to nil.

In the next Table (C), we give the Acceptances and Reserve funds for the last three half-years.

(C) London Joint Stock Banks—31 Dec 1886; 30 June and 31 Dec 1887—Acceptances, Reserve Funds, and Dividends (000's omitted.)

Banks	Acceptances		Reserve Funds	
	31 Dec. 1886	30 June 1887	31 Dec. 1886	30 June 1887
London & Westminster	902,000	781,000	504,000	480,000
London Joint Stock	2,781,000	3,669,000	418,000	377,000
City	2,280,000	7,342,000	8,732,000	300,000
Imperial	1,418,000	1,777,000	81,000	78,000
Alliance	154,000	22,000	45,000	64,000
	6,535,000	14,581,000	12,543,000	1,316,000
Banks	Dividends paid		Dividends paid	
	31 Dec. 1886	30 June 1887	31 Dec. 1886	30 June 1887
London & Westminster	31	33	22	22
London Joint Stock	134	144	23	23
City	15	10	10	10
Imperial	0	0	0	0
Alliance	0	0	0	0

The noticeable result here is the great fall in the acceptances, from 14 millions at 30 June to 104 millions at 31 Dec. (1887). The corresponding figures for 31 Dec. 1886, are only given in three cases. But all the London Banks are at length thoroughly subject to the rule which requires them to state the amount of their acceptances at the end of each half-year. It would be more satisfactory if the figures representing the acceptances were not mixed up in the body of the cash account. The London and Westminster Bank rightly and prudently state the amount of their acceptances separate from the cash items; and the other banks would do well to follow the same course.

It may be reasonably assumed that the fall in the dividend of the Union Bank is a result more or less of the fall of its acceptances from 81 millions on 30 June to 64 millions on 31 Dec. (1887). The commission account will naturally exhibit the effect of these reduced amounts. The acceptances of the City Bank say 15 million are the highest of any in the list in proportion to its capital and deposits. It is not easy to resist the conclusion that, for some time at least, the shares in the London Joint Stock Bank will be, perhaps more likely to fall than rise in value.

A St. John. N. B. paper says:—

The Montreal merchants have never been satisfied with the way in which the sugar duties have been levied and have been continually urging that a direct trade with the West Indies, in this article, should be encouraged. One of them has sent a circular letter of the following tenor to the merchants and press of St. John:—

The present sugar tariff is decidedly against the Nova Scotia and New Brunswick importing West India interests and gives them no protection whatever in return for the protection which the Canada West wheat growers and millers now enjoy on flour. It should be the endeavor of Halifax and St. John merchants to have their interests protected at least to a similar extent, and as the present Minister of Customs has signified his intention to receive petitions for any proposed alterations before Parliament meets in March next, I would urge on you, as merchants of Halifax and St. John, and having the prosperity both of your cities and the shipping interests of Nova Scotia and New Brunswick at stake, to bestir yourselves in this matter by having a meeting called of your respective Boards of Trade, and the necessary petitions drawn out.

The present duties on raw sugars are \$2.60, \$2.25, \$1.90, \$1.65, \$1.37 per 100 lbs. on the respective qualities from choice grocery to Molasses, in imitation of the English tariff. The duties which are proposed to be substituted in lieu thereof are \$1 per 100 lbs. and 25 per cent. *ad valorem* on all grades of raw sugar. By the present unfair tariff the Upper Canadian small dealer can go to New York or Boston and buy his five or ten hhds of sugar, and import them at the same duty as the direct importer from the West Indies at Halifax—who employs Nova Scotia shipping and seamen, and uses Nova Scotia capital for that purpose: while in the former case, American vessels, seamen and capital are made use of to the prejudice of Nova Scotia and New Brunswick. And we here repeat that if the Upper Canadian farmer gets an indirect protection on his wheat by a protective duty of 25 cents per bush on flour (of which Nova Scotia and New Brunswick are our best and principal customers), why are not the sailor and shipping interests of the Maritime Provinces who of course consume the said flour) to have a similar small protection in the way of the proposed *ad valorem* duty on sugar, which will promote the direct importation of the same from the West Indies, as it will of course be brought there at \$1 to \$1.50 per 100 lbs. less than in New York or Boston, and the direct importations will therefore have the advantage of paying a slightly less duty than from the United States? For example, sugar costing \$8 per 100 lbs. in New York would pay 25 per cent. *ad valorem*, \$1.60 and 1 cent per lb. equal to \$2.60 per 100 lbs. The same sugar from the West Indies would cost there, say \$5 per 100 lbs. at 25 per cent. *ad valorem*, which makes \$1.25 per 100 lbs. and \$1 per 100 lbs. equal to \$2.25 per 100 lbs. leaving a small protection on the importations direct of 25 cents per 100 lbs. which would help the shipping interest in the transport of said sugars.

An effort was made during the last Session of Parliament to have the above mentioned duties substituted in place of those now in force; but for some unaccountable reason nothing was done.

In conclusion, I would point out the absurdity of the West India Commission of 1868, if nothing is to be done to promote the West India trade.

Hoping you will bestir yourselves in this matter,

I remain, yours very truly,

A MONTREAL MERCHANT.

MONTREAL, January, 1888.

BUSINESS OF THE UNITED STATES MARINE INSURANCE COMPANIES.—The following statement shows the amount of premiums received in 1883 and 1887 by the principal marine insurance companies on their marine business:

	Prem. rec'd. in 1886.	Prem. rec'd. in 1887.
Atlantic	\$8,232,021.23	\$7,822,015.75
Great Western	8,189,930.20	2,458,253.48
Mercantile	1,436,455.80	1,247,062.00
Sun	2,695,349.21	1,038,467.16
Orient	781,932.65	1,108,845.13
Pacific	980,854.28	798,012.87
Commercial	506,631.28	603,877.54
New York	837,607.95	87,318.87
Union	276,667.70	133,686.62
Washington	665,443.87	Failed.

RAILWAY MEETING IN TORONTO

An interesting meeting took place at Toronto on Thursday evening, the 6th of February on the subject of railways, when the following resolution was passed:—

"That this meeting believes that the interests of the country and this city would be best promoted by the construction of an independent line of railway leading directly from the country to the city of Toronto harbour."

The following amendment offered by Hon J. H. Cameron, was voted down:—

"That while this meeting is unanimously in favour of railway communication between Toronto City and Bruce, the great interests involved in the railway service of this city requires that hostility should be avoided, and an endeavor should be made to reconcile all existing difficulties before the project is submitted to the Legislature."

Mr C. D. Fox, of the engineering firm of Sir Chas. Fox & Co., London, made a long and interesting speech touching the advantages of the narrow gauge system, while Mr. Cumberland, of the Northern, advocated that the proposed line should be made on the provincial gauge, whereby some seventeen miles of the Northern might be utilized, and a saving of three-quarters of a million effected. Mr M. C. Cameron also spoke and seems to have been heartily received. During the course of his remarks, and in reply to a statement from Mr. Cumberland, that it was declared in his hearing on Wednesday, by the highest authority in this province, that Sir G. M. was the Canadian gauge, and that the government would not permit a departure from it. Mr. Cameron said that, as a member of that government, he most unhesitatingly said that no such declaration had ever been expressed by them, as far as he was aware of. And he could not think that his colleagues would come to a determination in so important a matter without giving him an opportunity of expressing his views on it. This statement was received with tremendous cheers. The proceedings will doubtless stimulate the railway project but it is matter for exact calculation whether the narrow or the broad gauge should, under the circumstances, be adopted.

THE GOLD MOVEMENT.

At the close of last month the price of gold declined very materially in anticipation of the large supply of coin to come out of the Treasury upon the payment of coupons, and the principal of the loan of 1847, the total from these sources being estimated at about \$29,000,000. In order to estimate the bearing of this new supply upon the value of gold, it may be of interest to trace the actual movement in specie at New York, from the beginning of the month to the present date. We, therefore, present the following statement of the supply and the withdrawals from Jan 2 to Jan. 29 inclusive:

SUPPLY.	
Coin interest paid by Sub-Treasury	\$14,000,000
Paid in bonds of 1847	4,500,000
Paid on these accounts at other points, and sold on this market, estimated.	5,500,000
Received from San Francisco	2,000,000
Total supply	\$26,000,000
WITHDRAWN.	
For Customs duties	\$4,500,000
For Export	7,000,000
	13,500,000

Gain..... \$12,500,000

It thus appears that out of a total supply of \$26,000,000, we have at the close of the month only \$12,500,000 of it remaining, a conclusion which exactly corresponds with the increase in the supply of specie in the banks during the month. There remains about \$13,500,000 of the amount due at the Treasury in January yet unpaid. The larger portion of this amount is payable on account of the loan of 1847, and as the Government has decided to allow the bonds to run on at interest, it is probable that at present no more of those obligations will be presented for redemption: this probability being confirmed by the fact that the redemptions have fallen to about \$50,000 per day.

On the 1st March about \$5,000,000 of interest on Ter-Forties becomes payable; which constitutes the only coin payments due from the Treasury until the 1st of May. Until that period, the account is likely to stand thus:

Gain in January	\$12,500,000
Yet to be paid on coupons of Jan 1st	2,000,000
Receipts from California for February, March and April	8,500,000
Interest on 10-40 bonds in March	6,000,000

Total..... \$29,000,000

We are thus likely to have an available supply for the next three months of \$29,000,000. This is just about what may be expected to be required for the customs demand at this port. It is evident, therefore, that we must rely upon sales by the Treasury for all the gold that may be required for export.

What amount may be required for export during the next three months it would be impossible to estimate. The following were the shipments of specie from this port for the three months, February, March and April on each of the last five years:

1887	\$ 6,100,000
1886	8,300,000
1885	2,600,000
1884	11,200,000
1883	18,700,000

—New York Bulletin.