

will be made next year, when the profits will be divided. The item \$138,226 does not, of course, embrace the amount required to re-insure, and it would be useless to guess at the sum required in the absence of proper data.

Taking the statement as a whole, we think that policyholders will peruse it with great satisfaction. The lives have apparently been selected with care, or life in Canada must have a great deal in its favor. The number of lapsed policies appears to be small. Notwithstanding the competition which exists here and the comparatively limited field for operations, the Canada has every reason to congratulate itself on the results it has achieved, owing no doubt to the zeal of its agents and the ability of its Manager. As a Canadian Company we wish it the greatest possible success. Were it not out of place to make invidious comparisons, we might show considerable that would tend to the advantage of the Canada, but as its agents are, doubtless, fully able and willing to do it themselves, we merely indicate the salient features of the report and express our confidence in the soundness of the Company.

#### THE BRITISH AMERICA.

On the 2nd instant, the Directors of this Company presented their report to the stockholders, on the year's business. The premiums received in the fire department amounted to \$116,659.77, and the losses were \$65,395.31, or 55 per cent. The premiums were \$41,958.20, and the losses \$26,838, or 63 per cent. During the year before, the ratio of fire losses to fire premiums was about 63 per cent., and of marine premiums to marine losses, 90 per cent., while as large an amount of business has not been done this year. What was secured resulted in a greater profit. The net profits of the year are placed at \$41,078.71 as against \$17,355 of last year. Two dividends of four per cent., have been declared leaving at the credit of reserve the sum of \$47,040. The arrangement between the Montreal, the Western and the British America, with reference to ocean marine, has been found to be satisfactory. The advantage of a close personal supervision on the part, of the much respected Governor of this company is clearly seen, in the care with which business is conducted and the confidence which the company commands.

#### THE GORE BANK.

It will appear, on a comparison of this year's statement with the estimate of loss arrived at on the investigation which took place at the instance of the shareholders, that there is difference between the two of \$89,-

071. That amount has been written off over and above the estimate. From what occurred at the annual meeting we judge that the bank will not continue in business. The agencies have been closed, and the uncertainty that has prevailed, respecting the bank's future, of course, interfered seriously with its operations. Two offers have been made for the purchase of the institution; one by the Bank of Montreal, the other by the Bank of Commerce. On the 4th a deputation came to Toronto and had interviews on the subject, with one or both parties. The new board were elected on the understanding that they would resign, if required, on the 31st August. A great deal of substantial work has been done in realizing the assets, and matters are now in a fair way for any emergency.

#### MR. KING IN NEW YORK.

As the Bank of Montreal is the depositary of the Government and custodian of the gold held for the redemption of Dominion notes, it must expect to have the vagaries of its manager watched with considerable closeness. It appears that Mr. King has been operating pretty extensively in the New York gold market, and has, by some cool operations, gored severely, if we may judge by the press strictures, not a few of the bulls and bears. The *World* of the 29th said:

"The price of gold has been advancing steadily, until it reached 137½ yesterday, when the agent of a Canadian bank forced the price down by sales to the extent of \$3,500,000. Besides forcing sales of this amount of gold, this Canada bank manager made forced sales of its sixty-day bills of exchange on London at ½ to ¾ per cent. below the market quotations, and in round amounts to leading prime bankers, whom this speculative Canada agent had ascertained were about to ship specie to Europe. The Canada bank bills, being a cheaper remittance than specie, took its place, and the banks, at the last moment, withdrew the specie they would otherwise have shipped. Exchange was quoted weaker, although none of the prime bankers will draw sixty-day sterling under 110½ to 110¾, and sight 110½ to 110¾."

The *Express* takes up the cry, and is responsible for the following:

"In the Gold Room yesterday afternoon, it was freely reported that the steamer *Cuba*, sailing early to-day, would not take out any specie, whereupon the price of gold suddenly fell to 136½. At this crisis came a counter report that the *Cuba* would take nearly \$1,000,000, which started gold up again to 127½. In proof of the last report, it was cited that \$750,000 were already on a dray in front of one of the Wall-street banks, ready to go on board. This was actually the case, and the small kegs of double eagles were paraded up and down Wall street on the dray until the shades of evening threw its mantle over this "Kingly" *coup d'état*, when the gold was quietly returned to the bank vaults. The confiding community of speculators went home with golden visions of an advance in the premium on shipments to-

day; but alas! they awoke only to find that they had been taken in by a shrewd, speculating "Kanuck" lately arrived from the Royal Dominion. This story formed the gossip of the street to-day, and is regarded as the sharpest piece of financiering, in a speculative way, that Wall street has witnessed for a long time."

On the 30th, the *World* again returned to the charge.

"The bills of the speculative Canada bank manager were offered freely through different brokers at 110 for sixty day sterling, while the manager was engaged in buying back the gold he had sold. There were no purchases, however, reported of the Canada bank's bills even at 110, although none of the prime bankers were willing to draw under 110½ at the time.

"The average price at which the gold was sold was about 136½, and it was all bought back again yesterday and to-day without any loss or profit. The profit or loss on a gold gambling transaction is not, however, the point for the stockholders in a bank to consider. The question is 'whether gold gambling in New York comes within the scope of a legitimate Canada banking business,' and, 'if so, how long will the capital of the bank remain intact?' Any departure from legitimate banking on the part of the manager of any bank will naturally injure its credit, and, as all experience has shown, generally ends in disastrous losses."

The *Times* of the 29th, gives its version of the affair:

"The Bank of Montreal agency made one of the shipments of gold coin of Saturday last, \$500,000 in amount. The President (!) of the Bank, who is the city, made no further preparations to ship this week, as, by certain speculators in the Gold Room, it was supposed he would do. The story is that yesterday morning he turned his gold into currency, at 137½ per cent., in place of shipping, and drawing against it on a more reluctant exchange market than he had anticipated. This would strike most people as a pretty shrewd banking operation, and the result, at all enters is, that he could now replace his gold at a good profit, if he chooses to do so, in place of waiting until the price runs down to 135 per cent. or less. But our very irascible neighbor of the *World* arraigns this 'first-class' exchange drawer as being no better than he should be; from which we infer that there was some disappointment yesterday somewhere in the neighborhood of the gold buying clique, around which our neighbor delights to revolve and to do knightly service for. Having of late broken a lance with the Browns and now another with the Bank of Montreal, we suppose he has one or more in rest for Belmont or Pickersgill, or our amiable friend of the Bank of British North America; these being the traditional 'five names' of the sterling market, against which, until the *World* took them in hand, there was believed to be no reproach."

We suppose that Mr. King has a good deal of exchange to dispose of just now, when he is drawing against the Intercolonial loan, and we cannot quarrel with him for seeking a market for it wherever he will do best with it. But, at the same time, we do not see clearly why he should go down to New York