

special issue, and also any further profit the Bank may derive from it. Two per cent. on the amount of the issue is to be retained by the Bank for the risk, expense, and trouble in making the issue. The London *Economist*, in an article on the subject of this bill, shows that it will, if passed, be practically inoperative. In 1847 and 1857, the Act of 1844 was broken when the rate of interest was only 8 per cent.—two cases which the proposed act would not reach, since it is only applicable when the rate is 12 per cent. It is shown, too, that at the time of Overend Gurney's failure, the exchanges were unfavorable, and therefore under the 2nd condition the act would be inoperative. The article referred to concludes as follows:—"The reason of the bill is stated in its third condition; a very large amount of our usual currency becomes, at certain periods, on a sudden ineffective, and we therefore require more. Whenever that condition is satisfied, let the Government have a legal power of relaxation, just as it now practically exercises an illegal power. But do not, as is now proposed, substitute for an illegal power which, unhampered, is sufficient, and, on the whole, sure to be exercised, a legal power that is fettered, burdened, and inapplicable in the worst case of all."

By the annual report of the Hudson's Bay Company it appears that net profits to the amount of \$100,000 were made last year, being an increase of £15,000 over the previous year. A dividend of 20s. per share was declared, against 17s. the previous year.

THE ANNUAL report of the Merchants' Bank shows that the net profits of the year, after providing for all bad and doubtful debts, amounted to \$753,712.65, and the sum of \$269,720 was realized as premium on new stock issued. Two dividends of 4 per cent. were paid, and the sum of \$500,000 added to the rest, which is now \$1,700,000. Notwithstanding a pretty large total of bad debts, the transactions of the year were very profitable.

MONEY is easier, stock loans ruling at 7 to 9 per cent., and for mercantile paper 7 to 8 per cent. In the stock market the feeling is weak, and there is still an absence of speculation. The tendency of quotations is downwards, and in several cases a fall will be noticed.

EFFORTS are being made to organize the Federal Bank of Canada, chartered last session of Parliament; head office in Toronto.

THE PROSPECTUS of a Company chartered last session of Parliament under the name of the "Canada Investment and Guarantee Company," has been issued. The capital is fixed at \$2,000,000, one-half of which is to be subscribed, and only 10 per cent. is expected to be called up. The provisional Board of Directors embraces a number of leading business men of Montreal; Sir Francis Hincks is named as President, and Mr. Andrew Allan as Vice-President. We have not seen the charter, but the chief object of the Company, as set out in the prospectus, seems to be the guarantee of mercantile contracts, of the payment of debts and evidences of debt, such as bills of exchange,

promissory notes, credits, accounts, and loans, &c. We are not familiar with the working of such institutions; but imagine that if it be proposed to guarantee good debts, the services of the Company will not be much in demand for that purpose; if bad, there is plenty of room for operating. We shall probably know more of the Company's intentions hereafter.

A MEETING of bankers was held in Vienna, Austria, under the presidency of the minister of finance, to arrange a course of action that would arrest the frightful depression of securities. It was determined that the principal monetary institutions should form a fund to be advanced upon the deposit of shares, and for the discount of commercial paper.

IN NEW YORK there is the usual summer plethora of unemployed funds, with low rates of interest. The reserves of the Clearing House Banks, at the dates given, stood as follows:—

	June 21, '73.	June 22, '72
Specie	\$27,400,000	\$19,900,000
Legal Tenders	46,700,000	53,900,000
Total Reserve..	74,100,000	73,800,000
Total Liabilities	247,100,000	256,400,000
Reserve required....	61,800,000	64,100,000
Excess over legal reserve	12,200,000	9,700,000

It is remarked by Messrs. Henry Clews & Co. upon the above, that the specie portion of the reserves is much above the average, while the legal tender portion is very much below. This is a condition of affairs which renders the market liable to a lock-up of greenbacks, and in consequence a return of the violent stringency of last spring.

A REPORT by the directors of the Mechanic's Bank, states the profits of the past year at \$43,494.98, which with a balance of \$20,241.34 from last year makes a divisible sum of \$63,736.32. Out of this amount two dividends of 4 per cent each were paid absorbing \$34,011.28—the balance of \$29,725.04 was carried forward to next year. The Bank commenced the issue of notes in the latter part of 1872, and now has a circulation of \$90,000.

THE RATE of discount at the Bank of England is weak, being above the quotations of the open market, and a reduction is expected to take place immediately.

THE CREDITORS of Mr. Nelson Davis, of Montreal, have determined to give him an extension of time, he undertaking to pay in full.

Books were opened in Montreal on the 10th inst., for subscription to the stock of the projected Bank of Hochelaga.

Meetings.

THE CANADIAN BANK OF COMMERCE.

The Sixth Annual Meeting of the Shareholders, was held at the Banking House, Toronto, on Tuesday, 8th July, 1873. The chair was taken at noon by the President, the Hon. Wm. McMaster, and upon

Motion of V. Cronyn, Esq., of London, Ont., second by James Young, Esq., of Toronto, the Cashier, W. N. Anderson, Esq., was requested to act as Secretary. The Secretary then read the following

Report:

In presenting to the Shareholders the results of the year's business, it affords the Directors pleasure to be able to state that the affairs of the Bank are in a healthy and prosperous condition. After covering the charges for management, and making ample provision for bad and doubtful debts, the net profits of the year, including the premium on new stock,

Amount to.....\$969,159 09
To which add balance at credit of Profit and Loss account carried over from last year..... 7,114 33

\$976,273 42

From this has to be deducted,—
Dividend No. 11 of four per cent., payable 1st January. \$217,067 99
Dividend No. 12 of four per cent., payable 1st July.... 229,063 03
Transferred to "Rest" account 500,000 00
Transferred to Reserve for rebate of interest on current disc'ts. 10,000 00
—956,131 02

Leaving a balance at credit of Profit and Loss acct of..... \$20,142 40

From the accompanying statement it will be seen that besides providing for two half-yearly dividends of four per cent. each, appropriating \$30,130.48, for accrued interest on deposits, and adding \$10,000 00, to the reserve of interest on current bills,—which is now \$65,604—the sum \$500,000 has been carried to the "Rest" account, making that fund \$1,500,000, and the balance of \$20,142 40, remains at the credit of Profit and Loss account.

In view of the net surplus earnings of the year being over \$350,000 exclusive of the premiums on New Stock, the Shareholders might naturally look for an increased dividend, but your Directors entertain a very strong opinion as to the value of a large Rest, placing, as it does, a Bank beyond the possibility of being affected by ordinary contingencies, so that, while the accumulated Rest is in excess of the amount required by law before the dividend can exceed eight per cent., they still regard it a wise policy not to pay a higher rate until that fund (which is now 25½ per cent. upon the paid up Stock) be further increased.

The usual thorough inspection of the Branches has been made, and the reports on the business of each have had the constant attention of the Directors.

The unsubscribed portion of the authorized Capital of the Bank, amounting to \$1,200,000 was allotted to the Shareholders on the 31st of July last, and has all been paid up, except \$124,727.

Since our last annual meeting, the Bank, by the lamented death of T. C. Street, Esq., has lost one its most influential friends. His high social and financial position throughout the Dominion, together with his cordial co-operation in everything affecting the best interests of the Shareholders, rendered him a most valuable Director, and his demise has been a source of deep regret to every member of the Board.

The vacancy thus created in the Direction was filled by the appointment of James Michie, Esq.

Mr. H. S. Strathy, having retired from the services of the Bank to enter into business, Mr. W. N. Anderson, the Inspector, was appointed to succeed him as Cashier, and the Directors have every reason to be pleased with the ability with which he discharges the duties of the position.

The Directors have pleasure in stating that the Assistant Cashier, Managers, Agents, and