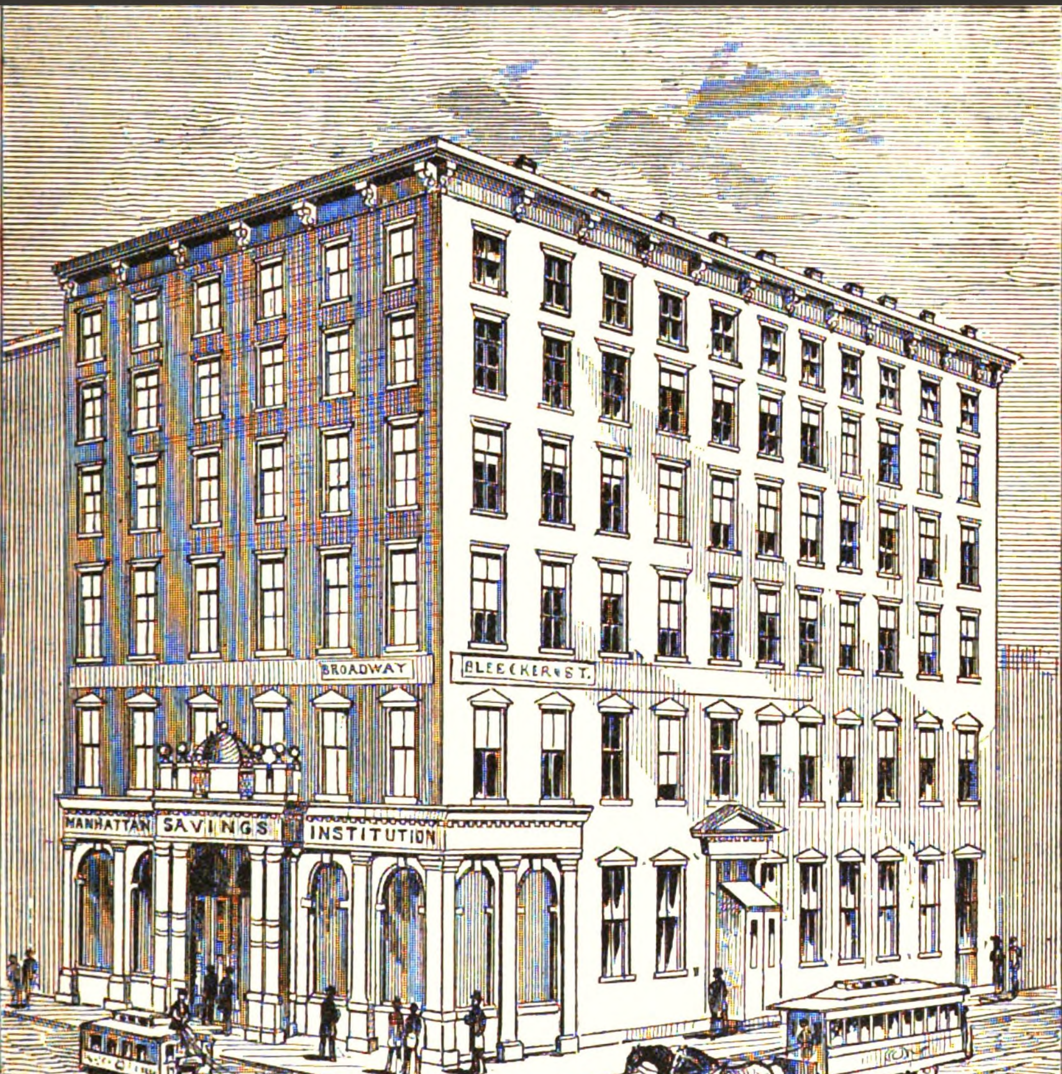

Rhodes' journal of banking

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RHODES' JOURNAL

A RECORD OF AMERICAN BANKING.

NEW SERIES. VOLUME VI. NOVEMBER, 1879. No. 11.

BANKING AND FINANCIAL LAW, as treated in this issue, introduces Mr. Edward B. Cowles, editor of our Law Department. His work will commend itself to bankers and all others interested in a clear exposition of banking law.

The law of certification, considered in this number of the JOURNAL, completes a carefully prepared review of the subject; the editor presenting (1.), certification defined; (2.), its elements; (3.), relation of drawer to holder of check after certification; (4.), relation of bank to holder; (5.), liability in case of forgery; (6.), who may certify, and, (7.), the doctrine of *ultra vires* as applied to this subject.

PUBLISHER'S NOTICES.—The editor of RHODES' JOURNAL OF BANKING respectfully solicits the co-operation of bankers, and others interested in financial matters, in maintaining its character as a worthy representative of the banking system. Inquiries to be answered herein, brief correspondence, news items, or suggestions, will be gratefully received.

The new and correct list of banks and bankers, to appear in our forthcoming work, "The Banker's Year-Book," will be kept in type and will undergo constant revision. Please report promptly to Bradford Rhodes & Co., New York, any changes that may occur in your bank, or others in your vicinity; also, the titles and officers of new banks or bankers.

The wild stock speculation which has held high carnival in Wall Street for some weeks past, has developed the old practice of the banks certifying brokers' overdrawn checks. It is plain that one or two newspapers have sought to magnify it into a wonderful discovery, but the facts will not warrant the statements which have appeared with reference to the magnitude of the practice. (It may be known that certain daily papers take more delight in making mountains out of mole-hills than in telling the truth.) But no one denies that over-certification has been lately practiced by a few New York banks having dealings with stock brokers, and it would also be difficult to find an intelligent banker who approves of such a transaction *per se*. The business from the Stock Exchange must be done through business banks, it gives a good margin of profit, and the managers of certain institutions used their discretion in furnishing such accomodation as

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their customers required. The action is certainly ill-advised in any bank, and is unlawful so far as national banks are concerned.

Section 5,208 of the U. S. Revised Statutes says: "It shall be unlawful for any officer, clerk, or agent of any national banking association to certify any check drawn upon the association unless the person or company drawing the check has on deposit with the association at the time such check is certified, an amount of money equal to the amount specified in such check."

We are glad to see that Controller Knox has been quoting the law to the New York banks, and hope that he will be able to enforce its observance. Aside from the illegality of over-certification, it is not right for the banks to lend their credit to the undue speculation which has been rampant in New York for some time past. All the money of the country, made available through the machinery of the banks, is needed in our rapidly widening channels of trade. The banks cannot afford to let the business of the country suffer while the various cliques of speculators seek to bring their plans to a successful issue.

A Superintendent of Banks Wanted.

Before this issue reaches our readers the result of the election in the State of New York will be known. Without indicating our own personal or political preferences, we may say that the signs seems to indicate a change in the executive administration of the State, and our suggestions will be based upon that idea.

Amongst the important duties which will devolve upon the Executive, if there be a Senate of like political views, will be the nomination to the latter of a Superintendent of the Bank Department. We only desire that the Governor should prove himself to be so broad-minded and practical as not to be deceived by any specious or seeming popularity of a candidate founded wholly upon the ground of a petty and inquisitorial activity which he has been at great pains to make known through the newspapers. The theory that a public official is efficient and trustworthy in proportion as he manages to place himself in antagonism with those with whom he has official dealings, is too narrow and impracticable, we believe, to deceive so clear-headed a man as Mr. Cornell. It is not a sign of inefficiency, or of any neglect of public duty that the administration of a public officer is approved by those with whom he is brought in contact officially. Mr. Cornell's administration of public office is itself testimony upon this point. We only ask, therefore, that the Governor will carefully scan the character and claims of candidates who will be presented for his consideration, and not regard any candidate as having a mortgage upon the office by virtue of an assumed superior fidelity, based chiefly upon official pronunciamentos, which can easily be shown to be mischievous and not salutary.

The Status of American Workingmen.

A glance at the following table shows that the rates of wages in the United States, roughly estimated, are more than twice those in Belgium; and the reports from which these facts are gleaned show that the wages of our tradesmen are nearly three times those in Denmark, France, and Germany; once and a half those in England and Scotland; and more than three times those in Italy and Spain. Some time ago the Secretary of State requested the Consuls to gather full information regarding the rate of wages and the cost of living in foreign countries. The report compiled from these returns has been issued from the State Department, and shows that the cost of living is less in the United States than in any of the countries reported. Europe cannot purchase the necessaries of life, which are common to the American working people, so low as the same can be purchased in the United States. For example, the price of food in Great Britain is fully 25 per cent. higher than at New York, and 50 per cent. higher than in many western cities and towns. Fresh meat in England is put down at 15 to 26 cents per pound, against 12 to 16 cents at New York, and 8 to 13 at Chicago. Perhaps the most striking picture of the comparative condition of the American working-man and of his fellow-laborer abroad may be had by a comparison of his condition in New York City and in the city of Brussels. The following table will show the weekly wages paid in Belgium compared with those paid in New York:

TRADE.	Brussels.	New York.
Bricklayers	$6.00	$12.00 to $15.00
Masons	6.00	12.00 to 18.00
Carpenters	5.40	9.00 to 12.00
Gas-fitters	5.40	10.00 to 14.00
Painters	4.20	10.00 to 16.00
Plasterers	5.40	10.00 to 15.00
Plumbers	6.00	12.00 to 18.00
Bakers	4.40	5.00 to 8.00
Blacksmiths	4.40	10.00 to 14.00
Cabinet-makers	4.80	9.00 to 13.00
Saddlers and harness-makers	4.80	12.00 to 15.00
Tinsmiths	4.80	10.00 to 14.00
Laborers	3.00	6.00 to 9.00

And now, as in every country wages have so close a connection with the cost of living, let us see from the following tabulated statement the comparative prices of the necessaries of life in Brussels and New York:

ATICLES.	Brussels. Per lb., cts.	New York. Per lb., cts.
Bread	4 to 5	4½
Beef	16 to 20	8 to 16
Veal	16 to 20	8 to 24
Mutton	16 to 20	9 to 16
Pork	16 to 20	8 to 16
Lard	.. to 20	10 to 12
Butter	20 to 50	25 to 32
Cheese	20 to 25	12 to 15
Coffee	30 to 40	20 to 30
Sugar	15 to 20	8 to 10

It would seem from these facts that the country is fairly launched upon a period of better times,—a period in which we may fairly look for less failures, a greater demand for iron, renewed activity in the cotton industries, a more prosperous time for railroads, a fair return for banking capital, continued increase of exports, and a rush for the millions of unoccupied acres in the great West. As soon as these lands are turned to good account, America's coffers will begin to fill up. The banker, merchant, or clerk cannot be of much service in making acres produce dollars, but the working farmer can. And surely there is no better opening for willing workers than in this country. The return for labor is certain, bringing comfort to the laborer and revenue to the country.

The French Bank Speculation.

The present is a time of extraordinary financial activity in Paris. The reasons for this sudden revival of speculation are mainly two: the great plethora of capital, and the consequent low rate of interest. That there is a decided tendency to a lower rate of interest in all countries whose industrial *materiel* is complete is well-known. Interest is high in Russia, in Austria and in this country, because there are great fields for capital. China is an exception, in this, as usual, for there interest is high, and combinations of merchants give to each other in turns the control of large sums. The vast possessions of England have hitherto absorbed her excess of capital, but never was interest so low as during last year in London. France would now be experiencing a similar dullness of the money market were it not for the many new enterprises which have lately been launched, and which have absorbed large sums of money. M. Paul Leroy Beaulieu estimates that the annual savings in France amount to the enormous sum of $600,000,000, and that no more than two-thirds of this amount can be profitably employed in manufacture and commercial enteprises. There is thus a sum of two hundred million dollars which finds its way to the banks. But the old established banks make little now-a-days, the bank of France included. Loans are made even at three per cent. This condition of banking affairs has produced the joint-stock bank, but which is in most cases a euphonious title for some industrial speculation, but there is no field for legitimate banking enterprises. Some of the older credits have established branches in various countries, and we are informed that should the New York branch of the Credit Lyonnais prove a profitable undertaking that other Paris houses will establish branches here. The Messrs. Pereire are to found a Transatlantic Bank in connection with their French line of steamers. That German and Dutch capital, which has been kept away for years owing to the railroad collapse, will also seek employment here admits of little doubt. The Banque Europeenne has lately increased its capital to 100,000,000 francs, and so have several other institutions of a like nature in almost equal proportion. The funding of the French National and the Municipal debts at lower rates of interest will necessarily still further add to the stock of money seeking higher rates of interest.

The Indiana Bankers' Association.

The banks and bankers of the State of Indiana have made a move in the right direction, by forming a State Association. It is intended to exercise supervision over banking affairs in their own State as well as to furnish efficient co-operation with the work of the American Bankers' Association.

The organization was effected by a meeting of representative bankers of the State held at Indianapolis, October 1. Mr. F. A. W. Davis, of the Indiana Banking Company, called the meeting to order, and stated its object. A constitution was adopted of which the following is the

DECLARATION:

In order to promote the general welfare and usefulness of banks and banking institutions, and to secure uniformity of action, together with the practical benefits to be derived from personal acquaintance, and from the discussion of subjects of importance to the banking and commercial interests of the country, and especially in order to secure the proper consideration of questions regarding the financial and commercial usages, customs, and laws which affect the banking interests of the entire country, we have to submit the following Constitution and By-Laws for "The Bankers' Association of the State of Indiana:"

The constitution is very similar to that of the American Bankers' Association. The following officers were elected for the ensuing year: *President*, Judge J. B. Howe, of Lima; *Vice-President*, M. L. Pierce, of Lafayette; *Secretary*, F. A. W. Davis, of Indianapolis; *Treasurer*, T. P. Haughey, Indianapolis. *Executive Council:* F. M. Churchman, W. W. Woollen and A. D. Lynch, of Indianapolis; Jesse J. Brown, of New Albany, and Hugh Daugherty, of Bluffton.

The Indiana Association is doing earnest work towards abolishing the tax on deposits, and also that unmitigated nuisance, the two-cent revenue stamp on checks. Mr. Davis, the Secretary, is sending petitions throughout the State, and the following note has been sent to the various banks, and through them to their customers:

DEAR SIR—There being no longer any necessity for the continuance of the war tax upon money deposited in banks, and the two-cent stamp upon checks drawn upon banks, we have decided to ask the repeal of the law, and respectfully request your signature to a petition which will be presented you in a few days.

INDIANAPOLIS NATIONAL BANK,
INDIANA BANKING COMPANY,
MERCHANTS' NATIONAL BANK,
FLETCHER'S BANK,
WOOLLEN, WEBB & CO.,
CITIZENS' NATIONAL BANK,
FIRST NATIONAL BANK,
CENTRAL BANK,
BANK OF COMMERCE,
MERIDIAN NATIONAL BANK,
FLETCHER & SHARPE,
INDIANA NATIONAL BANK,
HARRISON'S BANK,
RITSINGER'S BANK.

The petition, which is being signed by the best men in the State, irrespective of party, is as follows:

"*To our Senators and Representatives in Congress:*

We, the undersigned, citizens of Indiana, engaged in trade and commerce, respectfully ask you to vote to repeal the law taxing money deposited in banks, and requiring a two-cent stamp to be placed upon bank checks. We also request you to use your influence in favor of a prompt repeal of said laws."

There should be but one opinion as to the need and justice of this movement. Now, if the bankers in other States will follow the example set in Indiana, there can be no doubt of the success of the measure at the next session of Congress. But to make success certain, it will require prompt and effective associated effort from each State.

American Trade from the English Standpoint.

We extract the following from an editorial in the London "Economist" of October 4th, on the "Revival of Trade in America:"

"A ten years' retrospect, and a consideration of things as they now are, show that the commercial affairs of the United States again deserve careful attention. The country has suffered much; is it once more on the high road to development and prosperity? Looking back to the close of the civil war, with the redundant paper circulation and consequent inflation of values, we have seen the United States, as it were, first taking breath, then suffering from the inevitable decline of values—a shrinkage the most trying and severe within the memory of living men—until at last a return to specie payments, involuntarily brought about, is accepted by general consent as the bottom or hard-pan from which to make a new departure, and on which to build a future prosperity. The change for the better, although very indistinctly foreshadowed at the close of 1878, gave indications of solid existence at the commencement of the present year—the immediate consequence of the return to specie payments, which was practically a modified, though disguised inflation, inasmuch as the paper currency was not replaced by metallic money. No destruction of paper took place, and very little was exchanged for gold, and such little was still accepted as legal-tender by the Treasury, and was used as such. However this may be, the people of the United States are agreed among themselves that they are now on a specie basis, and as such we in Europe must accept them, though perhaps in some minds with a little reservation. Since January the general movement, with occasional exceptions, has been all in one direction—the direction of increasing business, rising values and substantial progress; until at the present time it would appear as though doubts are subsiding, and the country generally is preparing itself for one of those onward movements that may astonish themselves as well as others."

POST-OFFICE SAVINGS BANKS.

FROM A PAPER READ BY ROBERT P. PORTER BEFORE THE SOCIAL SCIENCE ASSOCIATION.

[Hardly a Winter passes but there is more or less talk in Congress about establishing post-office savings banks. RHODES' JOURNAL is opposed to the plan, for the various reasons which have been stated in these pages; the practical failure of the U. S. 4 per cent. certificates, considered as a plan to benefit the common people, seems to point out what would become of a postal savings bank plan. It is idle to hold up the success of the English system as in any way indicative of what might be done in this country, as the extent of our country and conditions of government control are in no degree comparable. We are glad, however, to present Mr. Porter's views to our readers; he offers commendable arguments in favor of sound banks for savings. The value of such institutions fully commanding the confidence of the people do more for the safety and elevation of American society than any other system of beneficence now in operation.]

The doctrine of thrift did not begin with Jeremy Bentham's "Frugality Banks," but the first principles of prudent economy were clearly inculcated by Him who practised it when He said, "Gather up the fragments, that nothing be lost." The important question now before the American people is how best to encourage habits of prudent economy and thrift, especially among the vast masses of the people who either spend their entire income or hoard it in the secret drawer, the buried pot, the old stocking, or the bed-tick. To do this successfully an absolutely safe place must be found for the deposit of money, and at the same time the depositor must reap a fair and reasonable interest for the use of it. The serious check the progress of education in thrift had had in England,

THROUGH THE SAVINGS BANK FRAUDS,

led those interested to look round for the establishment of a system of savings banks in which those who invest their hard-gained savings as provision against a rainy day, may find absolute security against loss. As a result of this, on the 17th day of May, 1861, the post-office savings banks act for "affording additional facilities for depositing small savings at interest, with the security of the government for the due repayment thereof," was duly enacted. Like all new schemes, objections were raised to it, both in and out of Parliament, and various discouraging prognostications to the effect that, if practicable at all, it could never be self-supporting: that the nation must always be at some loss in transacting savings banks business, and that such would be especially the case with the post-office savings banks.

THE FIRST POST-OFFICE SAVINGS BANKS WERE OPENED

in the United Kingdom, Sept. 16, 1861. On that day 300 offices were opened for the receipt of deposits, and on that day 435 deposits, amounting to $4,555, were received. Fifteen months from that date the system had been so successful that 2,535 offices were open, and the deposits amounted to $8,491,105.

The 300 offices that were opened on that September morning have now increased to 5,500 and the little band of 435 persons who deposited their few pounds on that day have increased to an immense army of 1,702,374, whose aggregate deposits amount in round figures to $135,-000,000. * * * * * * * * * * * *

The slowness of the United States in adopting this system may be explained by the confidence felt in its savings banks until within the last few years. But

THE RECENT WIDESPREAD FAILURES

among these institutions makes the establishment of postal savings banks not merely a popular necessity, but a burning question.

Mr Porter then goes on to say that in the savings banks of the United States with total deposits of nearly one thousand millions ($900,000,000) "no less than $369,770,878 is invested in mortgages, or over one-half of the entire deposits are invested in mortgages and personal security. Add to this the amount invested in railroad bonds, and State, municipal and County bonds, we have a total of $692,948,-146 of the people's money invested in loans, the security of which is in many cases doubtful. A considerable share of this money loaned on real estate is in the shape of mortgages on land and buildings, vacant lots in cities, etc., made during the years of inflation that immediately followed the war. The amount loaned did not at the time, perhaps exceed more than 50 per cent. of the market value of the property, but now that the value of such property all over the country has decreased, many of these loans are extremely doubtful. The

IMPOSSIBILITY OF REALIZING QUICKLY

on such security in a time of trial has been clearly shown in the recent failures of savings banks. Should an unusual demand come for money, bankruptcy and ruin would stare in the face every savings bank whose funds were invested in this way, unless the State Legislatures came to the rescue, as was done in Massachusetts, by the passage of the stay law."

POSTAL SAVINGS DEPOSITORIES FOR ONE YEAR.

Estimate on 500 offices, with possible current balance of $20,000,-000 due depositors:

	Number	Amount.
Depositories	500	
Accounts	200,000	
Transactions, deposits	400,000	
Transactions, withdrawn	200,000	
Amount of deposits drawing interest		$20,000,000.00
Average accounts at each depository	400	
Average transactions at do	1,200	
Average amount of each account		100.00
Average amount of each deposit		35.00
Average amount of each withdrawal		60.00
Average cost of each transaction		.29 1-6
Estimated percentage of cost of management to balance due depositors		⅞ of 1 per cent.

EXPENSES.

	Dr.
Office rent	$15,000
Fuel, Lights, etc	1,200
Printing, stationery, etc	20,000
Clerk hire, central offices	68,000
Clerk hire at depositories	52,500
Miscellaneous	5,000
Estimated net revenue	13,300
	$175,000
	Cr.
Allow for one-eighth of funds to be in transit or in hands of postmasters, balance ($17,500,000) to be drawing 1 per cent. interest from February	$175,000
	$175,000

This estimate shows that during the first and second years, especially if the balance on interest should not reach $20,000,000, the expenses might range at a higher percentage than named in the estimate. The expenses of management of the money-order business is about 7-8 of one per cent. upon the aggregate amount of the orders sold to remitters. It is estimated in the above tables, that the cost of management of the postal saving business will be less. We have already shown that in England the cost is less than 1-2 per cent. or 47.100 per cent. upon the total current and balance due depositors. In Canada it is 57.100 of one per cent. In the United States the difference in wages and other expenses would slightly increase this percentage. During the first and second year, especially if the balance on interest should not reach $20,000,000, the expenses would range at a higher percentage than named in the table. On the other hand, it is fair to presume that by the second year the amount on deposit will far exceed this. We have shown that when the postal savings banks began business in England the deposits in savings banks amounted in round figures to $200,000,000, against nearly $900,000,000 held by private savings banks in the United States at the end of 1877. The first year, upward of $10,000,000 was received, and yet the old savings banks of England are, comparatively speaking, far more secure than the private savings banks of this country.

THE EFFECT ON SAVINGS BANKS.

The average amount standing to the credit of each depositor in the English post-office savings banks was at the close of last year $76, the lowest average to each depositor in the United States savings banks, was in the State of Pennsylvania, and amounted to upward of $259, while the highest in the State of California was $732. Let a convenient and secure savings bank be established and savings will flow in. The old savings banks in England have over $10,000,000 more savings on deposit to-day than they had when the postal banks started, and the influence which has been exercised by the post-office banks on the saving habits of the people in England is strikingly proved by the fact that the total capital of the savings banks, which in 1860 under the old system was about $205,000,000, amounted in eight years to $255,000,000, showing a total increase of actual savings of $55,000,000.

THE POSTAL BANK AS A TEACHER.

The gin shop is near at hand, its door is open by day and flaring by night, dissipation has her nets drawn across every street in every town and hamlet. Yet how many thousand cities and towns have no savings banks, no doors open to economy and thrift. And yet it is the savings bank that has taught the workman how he can become a capitalist, in moderating his consumption below his production, and in amassing the excess called savings in a fruitful place in complete security; he learns how capital is formed and how it can be at first prudently employed. It has been truly said that it is a school which seems to be created for the apprenticeship of industrial business managing. It teaches man the habit to govern himself, to resist bad or useless impulses, and so aid to build up a sound discretion, which is the first condition of success in undertakings. Let the United States no longer delay the adoption of this great boon to the people. Let the postal savings bank

BECOME AN ELEMENT OF EDUCATION,

the bank-books become the text-books of thrift, and the object lesson of economy. Should the plan be carried out, it will soon be doing a glorious work whenever a bank is opened and a deposit received; self-reliance will, to some extent, be aroused, and with many a nobler life will be begun. They will gradually discern how ruthless an enemy is improvidence to workingmen, and how truly his friends are economy and forethought. Under their guidance the home could be enriched with comforts until it is enjoyed and prized by all. From such firesides go forth those inheriting the right spirit, loving industry, loving thrift, and loving home. Emulous of a good example, they in their day and generation would nobly endeavor to lay by a portion of their income, and if the plan were adopted in the United States, remembering that it would at once give us nearly 5,000 savings banks. I trust that it is not taking to sanguine a view to anticipate that it would render aid in ultimately winning over the vast masses of the industrial classes of the United States, the loyal citizens and not the capitalists, to those habits of forethought and self-denial which bring enduring reward to the individual, and materially add to the safety of the State.

The opinion is entertained at Washington among some who are regarded as good authority on such matters that the receipts of gold from Europe, between November 1 and the 1st of January, will be over $25,000,000, and may possibly reach $30,000,000. The imports of coin and bullion (mostly gold) for September were $28,360,000.

The Dawn of Better Times.

[Re-published from the "International Review" for November.]

The general stimulus in foreign trade has its bearing in an inquiry of this sort, and cannot be overlooked. For more than four-score years the excess of imports over exports has kept drawing out a long balance of our national account against us, until in 1875 the total reached $1,728,637,547. Within the last three years the tide has turned, and the balance is now $488,582,539 in our favor. It would seem from this, that, with the return of prosperous times at home, we have entered on a new era in our export trade. It is a well known fact that American cutlery is sold in Sheffield ten per cent. cheaper than it can be manufactured there. It has been shown that our cotton goods are sold in Manchester, a city which has held the supremacy of the world in cottons, for half a cent a pound cheaper than the same quality can be produced in that city. Our coals are sold in Newcastle, and one enterprising American gives away a stove with every ton of American Coal. American street-cars are sold in New Zealand, and our locomotives find a ready market in Italy. The English war-office uses American locks, while Continental post-offices have introduced the Yale lock-box. Russia has declared American scales the standard scales of the Empire. We have invaded the German markets with our nickel plating, and the Prince of Wales, in purchasing American plate for his own use, reminded the British dealer that in at least one "high industrial art" he had found a new competitor. Bottled products of St. Louis and Milwaukee distilleries triumphed over Bass, McGuinness, and one hundred brewers of Austria and Bavaria at Paris, while a Philadelphia firm captured the grand prize for lager beer in casks. All these statements are supported by the best authorities, and may afford some explanation of the enormous increase in our export trade. The total amount of domestic merchandise exported during the year ending June 30, 1878, was $580,683,798; the amount of foreign merchandise exported for the same period was $14,154,698: total, foreign and domestic, $594,838,496. This shows an increase since 1875 of $488,582,539. The domestic exports consist of about eighty per cent. of raw materials and agricultural products, and about twenty per cent. ($136,000,000 worth) of manufactured goods.

With these facts before them, well may those in high official position publicly declare that for the first time our manufactures are assuming international proportions. At a time of universal depression we have met those nations which held a monopoly of the world's markets, met them in their strongholds, and established the fact that American manufactures are second to the manufactures of no other nation; and that, with a proper and patriotic understanding between capitalists and laborers, we can command a fair share of the buying world's patronage, and command that patronage with larger profits to the capitalists and higher wages to the laborer than can be made or paid in any other country. It is the improved methods, increase of capital, and greater resources that will give the United States the advantage over foreign competitors. The item of cheap labor is by itself an inpediment to our success. For economic as well as moral and political reasons, we cannot afford to have our labor as poorly paid as is the labor of England. Degrade labor, and the prosperity of the country is interrupted; the injury is greater than the gain. Fair wages are conducive to prosperity; low wages mean poor food, scanty clothing, impoverished homes. No true American desires to compete with foreign countries at such a cost.

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The past five years of depression, from which the figures show that the country is just recovering, have taught the lesson of economy, and we are ready to begin again with renewed energy. There are dangers on all sides which will make our onward march difficult, and which can only be overcome by the most vigorous and persevering efforts. England, our greatest manufacturing rival, is not going to give up the contest without a desperate struggle; and unless our international carrying trade receives early and firm treatment to restore its departed strength, we shall find ourselves excluded from some of the most profitable markets, if not actually handicapped in the race. In the iron trade, the most we can hope to do is to hold the home markets. There are some important foreign markets that the United States ought to and will supply with cotton goods; but here again our future success is largely dependent upon the facilities which the next ten years will develop for carrying our manufactured goods to distant ports. We may have to rest upon the laurels of having deprived England of forty millions of customers without seeking to invade, to any great extent, her foreign markets. If a tidal wave of emigration is likely to roll over the country, an extension of railroads may be looked for; but past experience will guard against the enthusiasm which prompts the building of railroads far in advance of the needs of population. There is abundant proof that a change in the tide of our affairs has set in. We can see the coming of better times by the extraordinary decrease in commercial failures; by the light of the furnaces of our iron-producing States. It is echoed through the land by the hum of busy machinery, and by the clatter of the looms; it is heralded by the keen ring of the hammer as it binds down the iron rail; by the increasing balance of our exports; by the demand for our products, and by the opening up of vast areas of our country. Standing as we do, to-day, on the firm ground of a sound currency, surrounded by all the evidences of returning prosperity, the United States may reasonably look forward to a continued and healthful growth of population, and a more permanent development of its resources.

Depositors Not to be Hoodwinked.

[From "The Safeguard and Savings Bank Reporter."]

The depositors in New York savings banks are not likely to be misled by the most mischievous operations of Mr. Lamb, the Acting Superintendent of Banks in this State. His eleven questions to the officers and trustees of savings banks may be found in another column.* If a single dollar of depositors' money has been wrongfully used, no matter whether by saint or sinner, the SAFEGUARD condemns the action as most unjust. and meriting the severest criticism. That in a few isolated cases such use of depositors' money can be clearly traced, there seems no reason to doubt. Take it for granted, if you please, that some time in the past, certain sums of money had been wrongfully expended, if Mr. Lamb was a true and conscientious public servant, he would at once set to work to have that money repaid into the savings bank where it belonged; but no, this will not do for H. L. Lamb. The whole system must be degraded in order that the petty official may be brought into notice. But that Lamb's mischievous zeal is a hollow mockery for his own self-aggrandizement is evident to all who have given the matter any attention. For some months past hardly a day has passed but the New York papers have had something like this from the Bank Department: "*what Lamb is about to do*"—"*astounding revelations*," *etc.*, *ad infinitum*, but somehow the public are not in the least disturbed by these effusions.

We venture the opinion if a worthy *man* was in the Bank Department—one whose supervision entitled him to even fair respect—and these wholesale charges against the management of savings banks were fed into the mouth of a hungry press, as they are now, the people whose hard-earned savings are entrusted to these banks, would raise such a cry of indignation, and start such runs on the banks that they would be shaken to their very foundations. But not so in this case; the depositors are not to be caught with such chaff, because they can look between the lines of his every interview, attack, or manifesto, and read something like the heading to an article in a daily paper lately: "*A Foolish Lamb!*"

The simple fact is, the depositor class have faith in the men who stand as savings bank trustees, because the banks' record entitles them to this feeling of confidence and respect.

The following from the New York "Herald," Sept. 21, after referring to Lamb's latest circular, is to the point:

"How the public may regard the whole thing is perhaps an entirely different matter, but no one who remembers the suffering and loss entailed upon the poorer and thriftier classes of the people by the panic of four years ago, in which the weaker savings banks all perished, can fail to deprecate anything which may tend to shake public confidence in the sound surviving banks."

* These questions appeared in the JOURNAL for October.

The following from the financial paper, the "Daily Indicator," is of interest:

"Mr. Lamb again makes general charges without specifying the delinquents; thus, by implication, doing a serious injustice to many gentlemen of spotless reputation, personally and officially, without even the poor compensation that possible good may result to any person from the very unusual and injudicious course he has adopted."

Then after referring to the "charges," says:

"If Mr. Lamb had designed to injure to the utmost those who are innocent of them, to impair confidence in the whole system, and do all the damage he could to depositors, he scarcely could have used his information to better advantage than he has by the mischievous and unbusiness-like method he has chosen to adopt.

It is impossible to misunderstand Mr. Lamb's object in this proceeding. Any person who has the slightest knowledge of the ways of the average politician (and we are not aware that Mr. Lamb has any claim to greater distinction) can appreciate the meaning of these covert attacks."

Our Foreign Trade.

The Chief of the Bureau of Statistics reports (October 1) that the excess of the exports over imports of merchandise in the United States has been as follows:

Month ended August 31, 1879	$15,786,976
Month ended August 31, 1878	22,287,938
Eight months ended August 31, 1879	140,459,050
Eight months ended August 31, 1878	188,605,224
Twelve months ended August 31, 1879	257,133,416
Twelve months ended August 31, 1878	289,709,341

The exports and imports of gold and silver coin and bullion were as follows:

Month ended August 31, 1879, excess of imports	$5,921,307
Month ended August 31, 1878, excess of exports	300.688
Eight months ended August 31, 1879, excess of exports	1,663,025
Eight months ended August 31, 1878, excess of exports	601,743
Twelve months ended August 31, 1879, excess of imports	941,261
Twelve months ended August 31, 1878, excess of imports	313,406

The weekly returns of the Collector of Customs at the port of New York show that during the four weeks from Monday, September 1st, to Saturday, September 27th, the imports of gold and silver at this port exceeded the exports by $26,586,056. Adding this to the excess of such imports into the country during the months of July and Aug., we observe an excess of imports amounting to the sum of $32,567,287.

Of the total imports of gold and silver at New York since July 1, 95 1-2 per centum consisted of gold, and 4 1-2 per centum of silver. Of the total imports of gold and silver at New York, since July 1, 30 per centum was from Great Britain, 24 per centum from France, 32 per centum from Germany, and 14 per centum from all other countries.

INDISPUTABLE EVIDENCES OF PROSPERITY.

[There is much practical information in the following address of President Hayes delivered in Detroit, Michigan, during his recent vacation trip. The watchful banker and intelligent merchant can find valuable aid in the facts, figures and suggestions contained therein. As the address deals only with business affairs, and entirely ignores politics, it is presented in full to the readers of the JOURNAL.]

FELLOW-CITIZENS OF MICHIGAN: Reaching Detroit only a few hours ago, I cannot, from personal observation, speak of the condition of your agriculture, or of your mining, manufacturing and other large business interests. The information which I get, however, from the newspapers and from conversations with intelligent citizens, leads me to suppose that the outlook for the laborer, the capitalist, and the people generally, is, in this State. at least as favorable as that of the people of the country at large. This is what one would expect from its well-known advantages. Your State is almost surrounded by the navigable waters of inland seas, which communicate with many markets in different States, and in countries beyond the ocean. It is midway, by the best of railway routes of travel and trade, between the old and the new States. It has mines of copper and iron, it has manufactures, salt and lumber, and raises in abundance the most valuable crops and animals which are produced in the North Temperate Zone. It possesses a climate which is healthful and friendly to labor, and which gives vigor and character to men and women. Satisfactory as the material resources of Michigan unquestionably are, they do not constitute that excellence which perhaps chiefly atttracts the admiration, and possibly excites the envy, of your less fortunate neighbors. All the world knows that when the list is made up of the most favored States of this country, and of the most favored countries of the Old World, with respect to education—either general education or the higher education—an honored and very conspicuous place on that list must be given to the State of Michigan.

A year ago, making a visit of two or three weeks to the West and Northwest, I thought it might be useful to speak of the financial condition of the country, and to present a hopeful view of the situation and prospects. The business depression which followed the panic of 1873 had then lasted five years; but there were indications of improvement, and it seemed to me what was most needed was confidence, and that a presentation of encouraging facts and figures would tend to inspire confidence. It was my opinion, also, that there could be no permanent revival of business prosperity until the currency was placed upon a sound basis, and was exchangeable at its par value in the universally-recognized money of the world. The friends of the constitutional currency generally believed that this end could only be reached by the faithful execution of the Resumption act; that there was no need of further legislation; and that the true policy was to stop tinkering with the currency. Accordingly, the pith of what I wished to say last year to audiences like this was, that we ought to "let well enough alone." Now the resumption of specie payments has come, and with it have come also better times.

EVIDENCES OF PROSPERITY.

The evidences of good times are numerous, palpable and cheering. One bright day in June last more steamers—more shiping of all sorts—gathered in New York harbor than was ever before seen in that great mart of commerce, and their tonnage was in greater excess, comparatively, than the number of vessels. The lines of the Pennsylvania Railroad east of Pittsburg and Erie, for the first seven months of this year, as compared with the same period in 1878, show an increase of gross earnings of $1,208,294, an increase of expenses of $759,985, and an increase in net earnings of $448,309; the lines of the Philadelphia and Reading Railroad (the great anthracite coal road) a net increase of $1,340,000 for the same period. The latest published statement of the Erie Railway Company shows a net increase of $561,000. The Baltimore and Ohio Railroad Company shows a net increase of $532,000 for the first ten months of its current fiscal year, beginning in October last. It is estimated that more than a thousand miles of railroad track have already been laid this year in the United States—a greater mileage than in the same period in any year since 1873. Workers in iron and steel find their business recovering so rapidly from its great depression that they are unable to fill their orders and their annual production is likely soon to surpass the highest figures ever reached. The building of iron steamships in successful competition with Europe is fully established on the Delaware. Our cotton factories are again all at work and running on full time. Our mines of precious metals are increasing their product, and it mainly stays at home. Our manufactures go abroad more than ever before; our currency is exchangeable at par in the markets of the world with the money of the world; and, finally, and most important, the demand for labor has increased and is increasing. It extends to cotton mills, iron and glass works, machine shops, brick-making, building, the clothing trade, and nearly all branches of industry. *The Philadelphia Record*, on the authority of a well-known statistician, states that there are 20,000 more laborers employed in that city than there were a year ago. Our exports for the year 1878 amounted to $710,439,441, and the excess of exports over imports $264,661,661, both sums being greater than in any previous year.

The following tables show the rapid advance our farmers and manufacturers are making in supplying both the foreign and the home markets. They were prepared by Mr. Joseph Nimmo, jr., the able Chief of the Bureau of Statistics of the Treasury Department:

DOMESTIC EXPORTS.

Values of the principal commodities of domestic production the exportation of which greatly increased from June 30, 1868, to June 30, 1879:

COMMODITIES.	Value exported during year ending June 30. 1868.	1879.	Increase in 1879 over 1868.
Agricultural implements	$673,381	$2,933,388	$2,260,007
Animals, living	733,395	11,487,754	10,754,359
Bread and breadstuffs	69,024,059	210,355,528	141,331,469
Coal	1,516,220	2,319,398	803,178
Copper and brass manufactures, not including copper ore	496,329	3,031,924	2,535,595
Cotton, manufactures	4,871,054	10,853,950	5,982,896
Fruit	406,512	1,916,382	1,509,870
Iron, steel, and manufactures of, exclusive of firearms, but including scales, balances, sewing machines, fire-engines	5,491,306	12,766,294	7,274,988
Leather of all kinds	697,105	6,800,070	6,192,965
Mineral oil, illuminating	19,752,143	35,999,862	16,247,719
Provisions	30,436,642	116,858,650	86,422,008
Sugar, refined	313,378	6,164,024	5,850,646
Tallow	2,540,227	6,934,940	4,394,713
Total	$138,861,751	$428,422,164	$291,560,413

VALUES OF CERTAIN DOMESTIC EXPORTS.

Comparative statement of the values of certain articles of domestic production exported from the United States during the fiscal years ending June 30, 1873, 1876 and 1879.

ARTICLES.	Fiscal year ending June 30. 1873.	1876.	1879.	Increase in 1879 over 1876.	Per ct. of increase.
Indian corn	$23,794,694	$33,265,280	$40,655,120	$7,389,840	22.2
Wheat	51,452 253	68,382,899	130,701.079	62,318,180	91.1
Wheat flour	19,381,664	24,433,470	29,567,713	5,134,243	21.
Coton, manufactured, colored and uncolored	2,252,028	6,770,200	9,497,416	2,727,216	40.3
Railroad bars	104,054	57,109	233,514	176,405	308.9
Locomotives	952,655	561,559	567,302	5,743	1.0
Mineral oil, illuminating	37,195,735	28,755,638	35,999,862	7,244,224	25.2
Bacon and hams	35,022,137	39,664,456	51,074,433	11,409,977	28.8
Beef, fresh and salted	2,447,481	3,186,304	7,219,458	4,033,154	126.6
Butter	952,919	1,109,496	5,421,205	4,311,709	388.6
Cheese	10,498,010	12,270,083	12,579,968	309,885	2.5
Lard	21,245,815	22,429,485	22,856,673	427,188	1.9
Sugar, refined	1,142,824	5,552,587	6,164,024	611,437	11.0
Tobacco leaf	22,689,135	22,737,383	25,157,364	2,419,981	10.6

QUANTITIES OF CERTAIN DOMESTIC EXPORTS.

Comparative statement of the quantities of certain articles of domestic production exported from the United States during the fiscal years ending June 30, 1873, 1876 and 1879.

ARTICLES.	Fiscal year ending June 30. 1873.	1876.	1879.	Increase in 1879 over 1876.	Per ct. of increase.
Indian corn, bush	38,541,930	49,493,572	86,296,252	36,802,680	74.4
Wheat, bush	39,204,285	55,073,122	122,353,936	67,280,814	122.2
Wheat flour, bbls	2,562,086	3 935,512	5,629,714	1,694,202	43.0
Cotton, manufact'r'd, colored and uncolored, yds.	13,772,774	75,807,481	129,197,377	53,389,886	70.4
Locomotives, number	58	44	73	29	65.9
Railroad bars	2,832,592	2,244,794	14,097,583	11,852,879	528.0
Mineral oil, illuminating, gallons	158,102,414	204,814,673	331,586,442	126,771,769	61.9
Bacon and hams, pounds	395,381,737	327,730,172	732,249,576	404,519,404	123.4
Beef, fresh and salted, lbs.	31,605,186	36,596,150	90,976,395	54,380,245	148.6
Butter, pounds	4,518,844	4,644,894	38,248,016	33,603,122	723.4
Cheese, pounds	80,366,540	97,676,264	141,654,474	43,978,210	45.0
Lard, pounds	230,534,207	168,405,839	326,658,686	158,252,847	94.0
Sugar, refined, pounds	9,870,738	51,840,977	72,309,009	20,468,032	39.5
Tobacco, leaf, pounds	213,995,176	218,310,265	322,279,540	103,969,275	47.6

C

IMPORTS.

Values of the principal commodities of foreign production the importation of which greatly decreased from June 30, 1873, to June 30, 1879:

COMMODITIES.	Value imported during the year ended June 30.			Decrease of 1879, as compared with 1873.
	1873.	1878.	1879.	
Watches and watch movements and materials........	$3,274,825	$812,582	$920,599	$2,354,226
Textiles:				
Cotton, manuf. of (not including hosiery, shirts, drawers).	$29,752,116	$14,398,791	$14,930,975	$14,821,141
Flax, manufactures of.......	20,428,391	14,413,600	14,693,842	5,734,549
Silk, manufactures of........	29,890,035	19,837,772	24,013,398	5,876,637
Cloth (includ'g hosiery, shirts & drawers of cot'n & wool).	8,496,993	6,540,587	6,560,456	1,936,537
Wool and manufactures of:				
Unmanufactured...........	20,433,938	8,363,015	5,034,555	15,399,383
Carpets......................	4,388,257	398,389	367,105	4,021,152
Dress goods.................	19,447,797	12,055,806	12,436,861	7,010,936
Other manufactures of (not including hosiery, shirts and drawers)..............	26,626,721	12,193,037	11,158,030	15,468,691
Total Textiles..............	159,464,248	88,201,197	89,195,222	70,269,026
Iron & steel and manufs. of:				
Pig iron.................. ...	$7,203,769	$1,250,057	$1,924,128	$5,279,641
Bar, boiler, band, hoop, scroll and sheet-iron.....	7,477,556	1,627,052	1,378,976	6,098,580
Anchors, cables, chains, castings, hardware, machinery, old & scrap iron..	9,416,293	920,790	845,366	8.570,927
Railroad bars or rails.........	19,740,702	530	78,257	19,662,445
Steel ingots, bars, sheets, wire	4,155,234	1,220,637	1,281,942	2,873,292
Fire-arms, files, cutlery, saws and tools....................	4,093,097	1,629,061	1,846,626	2,246,471
All other manufactures of...	7,221,801	2,410,105	2,091,853	5,129,048
Total iron and steel.......	59,308,452	9,057,632	9,447,148	49,861,304
Copper and maufactures of (not including copper ore).	$3,687,096	$371,518	$294,707	$3,392,389
Lead and manufactures of...	3,247,153	361,894	64,340	3,182,813
Leather of all kinds..........	6,766,202	3,784,729	3,667,564	3,098,638
India rubber and gutta percha, manufactures of	900,187	242,564	174,137	726,050
Tea...........................	24,466,170	15,660,168	14,577,618	9,888,552
Grand total...............	$261,114,333	$118,492,284	$118,341,335	$142,772,998

MUNICIPAL INDEBTEDNESS.

With these authentic and significant facts and figures before us, we may reasonably assume that the country has entered again upon a period of business prosperity. The interesting questions now are. Have the good times come to stay? What can we do in private and in public affairs to prolong the period of prosperity and to mitigate the severity of hard times when they again return? The prospects are now bright, but all experience teaches that the wheel of human affairs, always turning, brings around those tremendous events called financial panics, if not with regularity, at any rate with certainty. The writer of an intelligent article in one of the monthlies says: "Panics, it has been observed, recur about every twenty years in this country, and almost every ten years in England." The explanation of this is not difficult to discover. In good times the tendency is to extravagance, to speculation, and to running into debt. Many spend more than they earn.

And the balance of trade soon begins to run against communities and individuals. When this has continued until the business of the country is loaded down with debts, a financial crisis is inevitable, and only waits for "the last straw." If this view is correct, the way to meet the dangerous tendencies of flush times is plain. Let two of Dr. Franklin's homely proverbs be strictly observed by individuals and by communities. One is: "Never live beyond your means;" and the other is like unto it, namely—"Pay as you go."

It is easy to see that, if these old maxims of the philosophy of common sense could have general practical acceptance, the period of good times would be greatly prolonged, and the calamities of hard times would be vastly diminished. There can be no great financial crisis without large indebtedness, and the distress which it brings is in proportion to the extent of the extravagance, speculation, and consequent indebtedness which have caused it. Those who are out of debt suffer least. Where the debts are heaviest the calamity is heaviest. But it is of public indebtedness, and especially of the debts of towns and cities, that I wish to say a few words.

The practice of creating public debts, as it prevails in this country, especially in municipal government, has long attracted very serious attention. It is a great and growing evil. States, whose good name and credit have been hitherto untarnished, are threatened with repudiation. Many towns and cities have reached a point where they must soon face the same peril. I do not wish to discuss the mischiefs of repudiation. My purpose is merely to make a few suggestions as to the best way to avoid repudiation. But in passing, let me observe: Experience in this country has shown that no State or community can, under any circumstances, gain by repudiation. The repudiators themselves cannot afford it. The community that deliberately refuses to provide for its honest debts loses its good name and shuts the door to all hope of future prosperity. It demoralizes and degrades all classes of its citizens. Capital and labor and good people will not go to such communities, but will surely leave them. If I thought my words could influence any of my countrymen who are so unfortunate as to be compelled to consider this question, I would say, let no good citizen be induced by any prospect of advantage to himself or to his party to take a single step toward repudiation. Let him set his face like flint against the first dawning of an attempt to enter upon that downward pathway. It has been well said that the most expensive way for a community to get rid of its honest debts is repudiation.

Returning to the subject of municipal debts, it is not alone those that live in towns and cities who are interested in their wise and economical government. All who trade with their citizens, all who buy of them, all who sell to them—in a word, the whole of the laboring and producing classes—must bear a share of their burdens. The taxes collected in the city find their way into the price-lists of what is bought of and sold to the farmers and laborers in the country. On the questions of debt and taxation the dwellers of the city and those who habitually deal with them form together one community and have a common interest.

The usual argument in favor of creating a city debt is that the proposed building or improvement is not for this generation alone, but is also for the benefit of posterity, and therefore posterity ought to help to pay for it. This reasoning will not bear examination. Each generation has its own demands upon its purse. It should not be called on to pay for the cast-off garments of its ancestors.

The appliances and structures which our ancestors provided for water, light, streets, parks, cemeteries, for putting out fires, for police, for locomotion, for education, and for the thousand other necessities of city life, would not be well suited to the tastes, habits and wants of our day. This generation must have steam fire-engines and water-works, and its taxpayers do not want to be called upon to pay for the cisterns, the fire-buckets and the pumps of thirty years ago.

Municipal borrowing is the parent of waste, profligacy and corruption. Money that comes easily goes easily. In this career of reckless extravagance cities build and buy what they do not need, and pay for what they get far more than it is worth. I adopt the words of the valuable report of the Pennsylvania Commission appointed to devise a plan for the government of cities. To sum it up, it too often happens that "the men who authorize the contracts are substantially the men who profess to perform them. The men who fix the prices are substantially the men who receive the pay for performing the labor, and the men who issue the bonds are the men who receive the money."

The magnitude and the growth of this evil are shown by statistics with which the public is familiar. I do not choose to detain you by repeating them in detail.

A few weeks ago "The New York Tribune" called attention to an excellent article on this subject in "The Princeton Review," by Robert P. Porter, in which it is shown that the local debts have, since the war, increased out of all proportion to the increase of property and population. Mr. Porter shows that in 130 cities the debt increased from $221,312,009 in 1866, to $644,378,663 in 1876. The percentage of increase is about 200 per cent. in ten years, while the property of these cities increased but 75 per cent. and their population only 33 per cent. The total local indebtedness of all the States, omitting the Territories, it is estimated in the article referred to, at the close of 1878, was $1,051,106,112. In many instances it is shown that the annual amount of interest paid by cities on their debts is almost equal to the total annual expenses for carrying on their local governments. The volume of the local indebtedness of the country already exceeds one-half the great war debt of the Nation, and the interest upon them from the high rates usually paid, will soon equal the total interest upon the National debt.

A RADICAL CURE SUGGESTED.

The urgent question that is now pressing for consideration is, how to deal with these large and increasing local debts. The best answer, it seems to me, is simple, ready at hand and sufficient. Do not have any local debts. Let it be embodied in the laws and constitutions of every State that local authorities shall create no debts; that they shall make no appropriations of money until it is collected and on hand; that all appropriations shall be for specific objects, and that as to existing debts suitable provision shall be made for their extinguishment. To pay off the old debts—to create no new ones—will be difficult and embarrassing. Valuable reforms always are difficult, and thorough work often is embarrassing. If we would be rid of the peril of approaching bankruptcy and repudiation which now threatens so many towns and cities, there must be a halt to this dangerous downward march. If the remedies I have suggested are too radical, let others be proposed and acted on, and that promptly.

The policy of preventing the creation of local debts by positive Constitutional prohibition is fully sustained by the experience of the States with respect to State debts. Constitutions in many of the old, and in all of the new States have been adopted within the last thirty or forty years, and almost all of them contain provisions denying to State Legislatures the authority to create debts except in case of war, insurrection or extraordinary emergency. Under the operation of these prohibitory provisions, the debts existing at the time of their adoption have been greatly reduced, and the only States now embarrassed by debt are those whose Constitutions do not contain this wise prohibiton.

THE POLICY OF THE GOVERNMENT.

The general policy of the National Government on the subject of debt has always been sound. It may be summed up in a few words. No debts to be created in time of peace, and war debts to be paid off as rapidly as possible when the war ends.

The Revolutionary War debt, at the inauguration of the present form of government, March 4, 1789, amounted to $76,000,000, and after successive refundings in long-time bonds, was paid by their redemption, finally, in 1835.

The debt created by the war of 1812, after refunding in 4 1-2 per cent. bonds, was also paid in 1835, and at the close of that year the Nation was practically free from debt.

The debt incurred on account of the Mexican War amounted to $83,552,698, the bonded debt bearing 6 per cent interest, running from five to twenty years, and Treasury notes at various rates of interest, from 1 mill to 5 2-5 per cent. All of this debt was redeemed prior to

1870, excepting a very small amount not yet presented for redemption.

As a marked evidence of the fidelity with which our National obligations of this desciption have heretofore been met, it is worthy of note that, during the War of 1812, the interest on the portion of the debt held by British subjects was regularly paid, the agents of the holders in this country, owing to the interruption of direct commercial intercourse, being [sometimes obliged to resort to circuitous and extremely difficult routes for the transmission of payment. I find the fact remarked upon by Mr. Alexander Trotter, the British author of a standard work published in 1839, upon our National financial position and credit at that time. The author also notes the fact that the act of Congress passed by the first Congress that assembled after the adoption of the Constitution to make provision for the payment of all the outstanding engagements of the Government, "with a degree of integrity which is rare in the history of the financial embarrassments of States." postponed the claims of creditors at home until those of the foreign creditor were provided for.

THE NATIONAL DEBT.

Our war debt resulting from the War for the Union amounted to about $3,000,000,000, and has been reduced to about $2,000,000,000. During the last year there has been no reduction of the aggregate amount, but there has been a reduction of the amount of the interest-bearing debt of $13,760,900, and the rates of interest have been so reduced by refunding within the past year that there is an annual saving of $13,760,900 in interest. The annual interest on the national debt reached its highest point about fourteen years ago, when it was $150,977,697.87. It is now reduced to $83,744,710.50, a yearly saving of $67,232,987.37, or about 45 per cent. of what was payable in 1865. The policy of paying off the national debt, which, at the close of the war, was urged upon the country with so much force by the Secretary of the Treasury, Mr. Hugh McCulloch, has borne good fruit. Young men of this audience can remember when the Government of the United States found great difficulty in borrowing so small a sum as $25,000,000, and for a considerable part of it was compelled to pay as high as 12 per cent. Last Spring, by reason of improved and strengthened credit, the Government had no trouble in borrowing in the single month of April $225,000,000 at 4 per cent. interest. The amount offered in that month exceeded $500,000,000, and there was one day when the amount offered was $159,000,000.

Let the policy of extinguishing the national debt be adhered to. Let it be the fixed purpose of the people and all who administer the government to pay off the debt within thirty-three years. It can be done by economy and prudence without a material increase of the burdens of the people. The payment of $33,000,000 a year upon the principal of the debt, or into a sinking fund for that purpose, will, within thirty-three years, leave us free from debt as a nation.

That which is sound policy in National or State affairs, in regard to public debts, is, I believe, also wise policy in local affairs and in private affairs. Let it be everywhere adopted in public and private, and we may welcome the advancing tide of better times, confident that we have found the secret that will prolong their stay, and will go far to make us independent in that, I trust, distant day when a financial panic may again strike down the general prosperity.

CALIFORNIA BANKS.

REPORT OF EVAN J. COLEMAN, PRESIDENT OF THE BOARD OF BANK COMMISSIONERS.

The following is a comparative table, showing the resources and deposits of the banks of the State of California, including the four foreign branches at San Francisco, as reported to the Bank Commissioners, on the 1st of July, 1878, 1st of January, 1879, and 1st of July, 1879; also, the decrease in the same:

	Resources.	Deposits.
First Report, July 1, 1878.		
23 Savings banks	$67,466,828	$59,739,054
5 Savings banks (since suspended)	12,781,860	11,729,527
28 Savings banks	$80,248,688	$71,468,581
56 Commercial banks	71,683,742	28,659,850
84 Banks	$151,932,430	$100,128,431
Second Report, January 1, 1879.		
23 Savings banks	$65,229,312	$57,846,025
60 Commercial banks	68,103,950	25,091,960
83 Banks	$132,333,262	$82,937,985
Third Report, July 1, 1879.		
23 Savings banks	$60,168,711	$53,226,618
60 Commercial banks	65,986,707	23,503,684
83 Banks	$126,155,418	$76,730,302
SAVINGS BANKS.		
Decrease—July 1, 1878, to January 1, 1879	$15,019,376	$13,622,556
Less 5 suspended banks (as above, July 1, 1878)	12,781,860	11,729,527
Decrease in 23 banks, July 1, 1878, to January 1, 1879	$2,237,516	$1,893,029
Decrease in 23 banks, January 1, 1879, to July 1, 1879	5,060,600	4,619,407
Decrease in 23 banks, July 1, 1878, to July 1, 1879	$7,298,116	$6,512,436
COMMERCIAL BANKS.		
Decrease, July 1, 1878, to July 1, 1879	5,697,035	5,156,166
Decrease in live banks, July 1, 1878, to July 1, 1879	$12,995,151	$11,668,602
Add 5 suspended banks, as above	12,781,860	11,729,527
Total decrease in banks reporting July 1, '78 and July 1, '79	$25,777,011	$23,398,129

The accompanying table furnishes considerable food for reflection. It appears therefrom that the total resources of the banks and savings banks reporting to the Bank Commissioners, fell off $25,777,011, and the deposits $23,398,129. during the year ending July 1, 1879.

But of this enormous decrease, $12,781,860 resources, and $11,729,527 deposits, resulted from the elimination of the five savings banks, which closed after the examinations of the Commissioners be- began, in August, 1878.

SAVINGS BANKS

Many events occurred during the past year to test the strength and endurance of the savings institutions of California, and, on the whole, they stood the ordeal well. The depositors of savings banks are, as a rule, predisposed to nervousness, excitement and suspicion. To them "trifles light as air, are confirmations strong as proofs of Holy writ." They are easily panic stricken, and "runs" are, in consequence, often brought about from slight causes. This ought not to excite surprise when it is remembered that, in the case of many depositors, all the economies of years of toil depend on the good management and solvency of savings banks. The earlier investigations of the Bank Commissioners revealed the insolvency of several savings banks at San Francisco, and resulted in the suspension of four in that city and one in Sacramento during the first six months. The minds of many depositors of other savings institutions were filled with alarm and distrust thereby, and a heavy withdrawal of deposits ensued. For the six months ending December 31, 1878, the total amount of deposits withdrawn from the savings banks of the State (exclusive of the five suspended ones), was $1,893,029.

After the publication of favorable reports from the Bank Commissioners concerning nearly all the remaining banks, it was to be expected that confidence would be restored and much of the money withdrawn be re-deposited. But about this time other disturbing influences arose, and the record of the next six months (from January 1 to July 1, 1879) shows, on the contrary, a much heavier falling off in the amount on deposit with the savings banks. There cannot be any difference of opinion as to the causes of this unfortunate result. They were as follows:

First—The protracted session of the Convention to frame a new Constitution, and the apprehension that the new instrument would be fraught with danger to the prosperity of the State.

Second—The bitter contest that preceded the adoption of the new Constitution; a battle between the giants—Labor and Capital.

During the whole of this acrimonious struggle an unfortunate prominence was given by writers and speakers to the effect which the new Constitution would have on savings banks. These institutions, very unwisely, were too conspicuous in their hostility to the new Constitution, and supplied arguments which they should have known would be weapons likely to injure themselves in the recoil. It is matter for surprise and congratulation that they were not "hoist with their own petard." In the heat of discussion the writers and orators who favored the old Constitution, expecting to array the thousands who are depositors in savings banks on their side, demonstrated by figures of speech that the result of the new Constitution would be to so seriously reduce the dividends of savings banks that United States 4 per cent. bonds would be preferable as an investment.

Is it to be wondered at that the feverish feeling excited by all these circumstances caused the withdrawal of $4,619,407 by the depositors of the active savings banks during the six months ending June 30, 1879? The decrease in deposits of the live savings banks, as shown for the six months ending December 31, 1878, was 3.17 per cent. of the total deposits, July 1, 1878, and for the next six months was 7.98 per cent. of the amount due depositors on the 1st of January, 1879.

The five suspended savings banks owed depositors on the 1st of July, 1878, the sum of $11,729,527, and on the 1st of July, 1879, about $8,452,657, having repaid during the year some $3,276,870.

The following is a recapitulation of the year's reduction in the amount of deposits:

Decrease in 23 savings banks (July 1 to December 31, 1878)	$1,893,029
Decrease in 23 savings banks (January 1, 1879, to June 30, 1879)	4,619.407
Decrease in 5 suspended banks (July 1, 1878, to June 30, 1879)	3,276,870
Total decrease in deposits for 1 year	$9,779,306

This is 13.68 per cent. of the total amount ($71,468,581) on deposit with the Savings Banks of California on the 1st day of July, 1878.

COMMERCIAL BANKS.

By reference to the table it will be observed that the resources of the commercial banks have decreased $5,697,035, and the deposits $5,156,166 during the year ending June 30, 1879. The resources of the Nevada Bank of San Francisco during this period fell off $5,545,391, and its deposits $5,206,023, which verifies the remark in the Bank Commissioners' Annual Report, that "the changes in this bank are on so large a scale that a comparison of the aggregate items of the commercial banks is practically useless unless it be excluded."

TOTAL DECREASE IN DEPOSITS.

The total withdrawal of deposits during the year ending June 30, 1879, from all the banks of the State (exclusive of national banks and private bankers) was nearly $15,000,000, to wit:

From the savings banks	$9,779,306
From the commercial banks	5,156,166
Grand total	$14,935,472

WHAT HAS BECOME OF THIS MONEY?

It is not possible to answer this question with any accuracy, or even to approximate with any degree of certainty the disposition made of this large sum. But "guessing" is one of an American's inherent privileges, and is the only thing one can do in this case.

It is estimated by well informed persons on this subject that during the year referred to about $15,000,000 was invested here in U. S. 4 per cent. bonds, namely:

For first six months, July 1, 1878, to January 1, 1879	$5,000.000
For second six months, January 1, 1879, to July 1, 1879	10,000,000
Total	$15,000,00

Of this, the Assistant United States Treasurer estimates the amount issued from his office at $10,000,000, and dealers estimate the amount invested outside at about $5,000,000. The latter estimate is regarded as too high by some, but the weight of authority is on the side of its correctness.

The similarity between these estimates and the amounts withdrawn from the banks by depositors during the corresponding periods of time is certainly of significance, and not a mere chance coincidence.

It seems perfectly reasonable, under the circumstances, to estimate that two-thirds ($10,000,000) of the amount withdrawn by depositors has gone into United States 4 per cent. bonds. The other one-third ($5,000,000) has no doubt been absorbed in various ways. There is nothing upon which to base an estimate as to the proportions, but it is probable that some of it has been invested in real estate; much of it used in mining stock investments and in the payment of assessments; a good deal buried in the ground or hidden in old stockings, trunks, etc.; and, unfortunately, a considerable portion has, during the recent depression in business, been required for the daily support of persons out of employment for whom the "rainy day" had arrived.

CONCLUSION.

The result of the late election in this State is generally regarded as a decided victory of conservatism, and no improper or dangerous legislation is now anticipated from the next legislature. The evidences of restored confidence and faith in the future are already abundant in financial and political circles. Croaking, lately so common, is now, thank God! hardly heard at all. The glad tidings come daily from nearly every part of the Union that a new era of business prosperity has begun. Capital, regaining courage, is seeking remunerative investments, and the great 4 per cent. "boom" is over. For the first six months of this year a gain of nearly nine million dollars ($8,860,000) in the deposits of the New York savings banks is reported. If the furore for United States 4 per cent. bonds is over, and stockings, trunks and mattresses are giving up their hidden treasures at this rate in New York, where the maximum rate of dividends by savings banks is 5 per cent., how much more reason to expect such a result in California, where the average rate of dividends on the part of savings banks is not likely to be less than six and one-half per cent. per annum. The banks that have weathered the late financial storms, and stood the test of impartial investigation, should be entitled to confidence, and if present appearances are not very deceptive, the coming year will show a great improvement in banking statistics compared with the one just past.

EVAN J. COLEMAN.

SAN FRANCISCO, September, 1879.

THE DELUSION OF FIATISM IN FINANCE.

[From an address of Col. Josph L. Stephens of Boonville, Mo.. before the Missouri Bankers' Association Convention of 1879. The address was mainly in reply to certain "Delusions in regard to Finance and Banking," and the section published herein treats of the following]:

"*That the substitution of absolute or fiat money, in amount sufficiently large to pay off the National Debt, as it shall mature, and meet the wants of trade, in place of all other paper money, would promote the best interest of the people.*"

The dogma of human fiatism in finance has taken such deep hold upon many of our best people, and its teachings are so seductive that those infatuated with it, should not be trifled with. On all subjects about which honest men differ they should respect the conscientious convictions of others.

* * * * The greenback dollar is a promise to pay the holder one hundred cents, on demand. It is a sacred debt the United States owes, and it must be redeemed in cash, on presentation. The absolute dollar, so-called, is merely a piece of paper falsely naming itself "a dollar," but payable no where or by any one. * * * * * Our government needs, and must have, twenty to thirty million dollars per month, say three hundred and fifty millions, annually, to pay its current expenses, its income must be eqully large; then, it can maintain the amount of its income in greenbacks, and always be ready to redeem in cash when required. Beyond its actual income our great government, even, cannot venture to create and owe a sight demand debt, without the danger of suspension, bankruptcy and ruin that an indiscreet individual would encounter, were he to issue his demand notes beyond his receipts. I believe the government can legally maintain its present issue of greenbacks, and, as a matter of economy it ought to do so, so long as the effects of the war that created the necessity for them may last, and this is my definition of the true and only Greenbacker.

"Let there be light and there was light." This sentence, the grandest, most sublime and most eloquent in the human language, was uttered by Him, who doeth all things well, and it was the first act of fiatism. Our God who ruleth the Heavens and the Earth has wisely reserved unto Himself the sole right to create and to destroy. The laws of nature and of nature's God cannot be altered or amended by any efforts of puny, insignificant man. Our Congress and President could come no nearer imparting intrinsic value to the so-called fiat dollar, than they could in running our rivers up stream, converting our days into nights, or in turning our dogs into horses, or stones into bread. In all history we do not find so grave an effort to alter the laws of nature since the remarkable performance of old King

Canute, on the seashore, about eight hundred years ago. The proposition is a gross absurdity, and I will not waste your time upon it.

There are other grave errors in regard to finance, to which, at present, I can make but little else than a passing reference, viz: "That there is a conflict, or antagonism between capital and labor." "That bankers are the recipients of large interests and dividends, which are an unfair burden upon labor, and pay no adequate portion of the taxes;" and, also, that "Repudiation is the short road to prosperity," etc.

I insist, that all the material industrial interests, agriculture, commerce, mechanics, and mining, are blended together in one harmonious whole. The success of either one adds to the prosperity of all the others, and the injury of any one reflects its evil upon the whole. There is in fact, no conflict. As to taxes, the banks, National, State and private, are the highest taxed property in the State. After paying the largest assessments, they are made to levy, collect and send to Washington City, at their own expense, an additional tax not attached to any other species of property. This additional tax alone, upon banks has amounted to nearly one hundred million of dollars in the past fifteen years.

That the stockholders in banks are the capitalists of the country is another great mistake. In the National Banks, over one half own $1,000, or less, of the stock, and the exact average amount held by each one is, $3,100. The same ratio will apply to State and private banks. The aggregate amount of all bank stock is, say eight hundred million dollars. Now, these stockholders for the last ten years have received less than six per cent. per annum, interest. The present year I doubt much, if they will receive four per cent., as little, perhaps, as the average annual incomes upon any other branch of legitimate business, taking the risks into account.

Notwithstanding these well ascertained and indisputable facts, we hardly ever heard a stump speech from one of our *politico-financial* (?) orators, wherein he did not lash himself into a rage and tear passions to tatters, by the hour, in denunciation of bankers and bondholders: calling them by such pet names as, "shylocks," "bloated bondholders," etc., etc. I must do this class of orators the justice to say, that most of them are not intentional mischief-makers, in perpetuating a prejudice of one class against another, but they have little or no knowledge of the facts about which they speak, and less in regard to the fundamental principles of the subject.

Suppose it were possible to bring all the owners of bank stock into our audience, what would we find? Over one-half the entire number, poor property holders, widows and orphans, whose annual income is less than $50 per annum; and take the whole number, large and small, and their average annual income is under $175. Yet, these are the persons against whom the maledictions of our fledgling fiscal orators, and the deluded press, are hurled, and against whom they would poison the minds of the farmers, mechanics and laborers.

On the subject of the "repudiation of honest debts," I have recently contributed an article which has been extensively published in the papers of the State, and copied in the money columns of the eastern press. I tried to show the blighting and ruinous effects of the infamous doctrine upon the material industries of the State. I maintained that the riches of the people of our State in honor, integrity and virtue are of far greater consequence than a wealth in property, however honestly obtained. The views expressed I am happy to say, have since received the approval of both the District and Circuit Court of the United States.

And some object to the national system "because its continued existence contemplates the permanency of the national debt." I hope the day will come when this objection will be opportune; at present it is "far fetched," and untenable.

Our bonded debt is now, say, eighteen hundred million dollars, and say, fourteen hundred million in excess of that portion held by the banks. It is not the part of wise statemanship to impose the burden of the payment of this enormous debt upon the present generation. As it is being refunded at an easy interest, and our country is growing in population and wealth, rather let the future take the responsibility of a portion of it.

England, we have seen, is utilizing the bonds issued during the Napoleonic wars and the war with this country, over sixty-five years ago, as security for the circulation of her principal bank, and is likely to continue the same for the next century. Then, what can be the possible objection to our utilizing our necessarily outstanding bonds, for, say, the next sixty years, by making them the factor to secure the bill-holders; an office they have so well filled the past fifteen years? But, when the time does come, be it sooner or later, for the payment of our debt, I would not keep a dollar outstanding a day for the mere purpose of making a basis for a secure circulation. Then will be the time to hunt for a new, and, if possible, better basis for bank note security. We will then, perhaps, further imitate the Bank of England by an issue, in part, if not the whole, upon gold and silver coin and bullion.

And we sometimes hear it said, that "the tendency of the national system is toward centralization," &c. The reverse of this assertion is the truth. The way to avoid centralization is, to have banks wherever business demands them, in all portions of our country, regardless of political or other considerations controlled by their stockholders. Under the national system, as free to all as farming or merchandise, we now have over two thousand banks, and there is nothing, in law, to prevent there being more than double that number. Each bank is controlled for itself, and in the interest of its immediate patrons, without a connection with any other national, closer than that with a private or State bank, and all governed by very similar laws. This is diversity. This is extending the benefits of our resources to all parts of the country, placing means within easy reach of deserving borrowers. Whereas, if we abolish all these small fiscal agencies, and erect upon their ruins, one huge, soulless political corporation at Washington City, to do the work of the whole country, we will then, indeed, "centralize" the money power of the country. In such a case, not only would the masses of the people be cut off from direct communication with such mammoth bank, but whole States and sections of our country, for supplies, would be at the mercy of one man, and he, most probably, a political demagogue. Such "centralization," the product of such a monstrosity the people do not want. Centralization is bad enough as it is, without adding the cap-sheaf that would shade all others. To destroy the very agencies that prevent centralization, is worse than a delusion, it is a snare.

As stated in the outset, I have advocated no special or general system of banking, nor am I wedded to any. Have only attempted to show the popular fallacies in regard to existing systems. Those who would destroy three hundred and sixty millions of the--to the masses of the people—cheapest and best circulation this country ever enjoyed, ought, before the fatal blow is inflicted. to plainly show us with what character of money they will fill its place. On so momentous a question, our country should not take a leap in the dark.

Since I have taken the negative of all the theories advanced for "financial reform," and attempted to explain their futility; you may ask, what then, is the remedy for the man involved in debt? and that, I may venture, at least, an affirmative answer.

There is no royal road to wealth. The decree of the Almighty God, that, "in the sweat of thy face," etc., was not intended as a punishment, but as a duty, in which all should take pleasure. There is no happiness on earth exceeding that of congenial labor well and dutifully performed. It cannot, nor, if it could, ought not to be avoided. There is no patent substitute for labor. There is no way to make a short cut on a straight line.

I will answer by repeating, as well as I can remember it, the advice of that eminent philosopher: Old Ben Franklin.

"ADVICE TO THOSE IN DEBT."

"Make a full estimate of all you owe and of all that is owing to you. Reduce the same to a note. As fast as you can collect, pay over to those you owe. If you cannot pay, renew your notes every year, giving the best security you can. Go to business diligently and be industrious; waste no idle moments; be very economical in all things; discard all pride; be faithful in your duty to God, by regular and hearty prayer, morning and night; attend church Sunday, and do unto all men as you would they should do unto you.

"If you are too needy in circumstances to give to the poor, do whatever else is in your power, cheerfully; but, if you can do so, help the poor and unfortunate.

'Pursue this course diligently for seven years, and if you are not happy, comfortable and independent in your circumstances, then come to me and I will pay your debts."

These popular errors have taken such deep root upon the mass of the people, that we cannot expect to remove them rapidly. If I have contributed, the least in that direction, I shall feel more than compensated for the little labor the effort has cost me. And I have an abiding faith that truth is powerful and will prevail in the end. As the poet beautifully expresses it:—

"Truth Crushed to earth shall rise again;
The eternal years of God are hers;
But error wounded writhes with pain,
And dies among his worshipers."

THE FREEDMAN'S BANK.

A PLEA FOR THE DEPOSITORS.

A prominent journal has revived the log rolling and fraud which attended the organization and administration of the Freedman's Savings Bank and Trust Company.

Another journal has stated that "this bank was a case where Congress should go outside the letter and grant relief to the depositors," but Congress went outside the letter when it ignored and repudiated this claim, for records exist which prove that this institution was directly fathered and fostered by the Government, and each pass-book of the first series, acknowledged and avowed itself a government indebtedness. The original charter was a government charter, the bank and its branch offices were established in the government's name, its claims were indorsed and guaranteed by the government, its highest officer was the highest government official in the Freedman's Bureau, and the bank declared itself directly under government management.

In proof of this, at each branch office the influential freedmen were enlisted and advertised as local directors, and they affirm that when they protested against all their funds being shipped away to Washington, they were reassured by the intelligence, "that these funds were under government security, were being applied for government use, or invested in United States bonds."

If the present Commissioners have not destroyed them, a number of pass-books are still extant which announce in flaring type the unselfish and godly love of the government to its colored children, and exhibit the benevolent features of President Lincoln smiling over such a pass-book as the horn of plenty, whilst his hand rests confidingly on that safe which was so soon to close on its hard-saved earnings forever.

The government cannot deny that the bank received its deposits as a government institution, and the only excuse and plea that can be urged for not paying this claim, is that the charter was afterwards changed, and the government relieved itself of its responsibility by converting the bank into a—well we know not what, except a terrible swindling concern.

The whole plea, then, for non-payment is on this shifting or throwing off responsibility; but here arises the question, because an indorser should happen to be the custodian of his own obligation, can he expunge his name and responsibility without the full knowledge and consent of the owner, and in this matter did the government acquaint its creditors with this fact, that its indorsement and responsibility had been removed?

It did not, it could not. Most of those depositors were ignorant, unlearned people unable to discern between debit and credit, only trusting blindly in their government infatuation, while that government was smuggling out its protection, and consigning its deluded victims to political vampires and Judas Iscariots.

It is an important consideration that freedmen are eligible to our national councils and conventions, and for this reason, it is said, they should be educated and developed to a proper standard of judgment and discernment; and here the consistency of the colored race was commendable. They realized their responsibility and prepared to meet it, and severe and desperate is the story of their struggles, to save a small pittance for the maintenance and education of their children, and fitness for becoming useful and enlightened citizens.

The evil results and tendencies of this swindling robbery can never be known or appreciated. Many freedmen have told me that they would never again trust humanity, and with such an example of deceit and fraud before them, from men they considered their friends, what blame can be attached to an ignorant and deluded people when they, in a small manner, follow this example. Besides contemplating the fact that many persons, after one such terrible reverse, never regain confidence or make another effort, the immediate effect of this swindle upon the freedmen's condition was desperate and distressing. Many of them had every cent they could rake and scrape together in its custody, and depended on it for their next day's subsistence. With sensational pictures and alluring pamphlets about President Lincoln, the Freedman's Bureau and government protection, many freedmen worked for this bank with a zeal and energy almost fanatical, and when its failure was announced, some lost their reason, some pined away and died, while others perished through lingering starvation.

There was never a more just claim, and this cause should be agitated until effected, for the government responsibility can be clearly proved, but can the government as clearly establish the right of repudiation?

J. S. Bean, Jr.

[*LAW DEPARTMENT OF RHODES' JOURNAL.]

BANKING AND FINANCIAL LAW.

The Law of Certification.

The office of a bank certification as the derivation of the word (from *facio* to make, *certus* certain) implies, is to assure to the payee and his assigns certain facts. It is a warranty and a promise.

A warranty that the drawer of the check has funds to the amount specified, and that the signature is genuine, and a promise that out of these funds the bank will reserve sufficient to, and will pay the check.[1]

The amount of the check so certified is usually charged immediately to the customer's account, and then carried to a "certified check account," upon which the bank credits itself with the amount, making a corresponding debit on that account when the check is finally paid.[2] Parties who are strangers are thus enabled to deal confidently with one another, the risk of transferring large sums of money is obviated, as is also the labor of counting. When it is remembered that in the City of New York alone, it is estimated that certified checks to the amount of one hundred millions are used daily,[3] the importance of being intelligently informed as to their exact meaning is seen.

In the first place the drawer of the check, as between himself and the payee, is absolutely acquitted of the debt for which the check is drawn to pay, when the holder has caused it to be certified. The reason of this rule is obvious. Checks have no days of grace, and should be presented not later than the next day, or within a reasonable time.[4] Laches on the part of the payee will, in cases where it causes injury, exonerate the drawer.[5]

No certification is contemplated by the check itself; that is the

1. Cook *vs.* State National Bank of Boston, 52 N. Y., 96.
2. First National Bank of Jersey City *vs.* Leach, id.. 350.
3. Merchants' Bank *vs.* State Bank, 10 Wall. (604), 647.
4. Morse on Banking, p. 280, As to there being no days of grace allowed upon checks in New York, see vol. 2 Rev. Statutes 6th Ed., p. 1,163.
5. Merchants' Bank *vs.* State Bank, supra.

*The editor of the Law Department of RHODES' JOURNAL will be pleased to furnish, on application of subscribers, detailed information regarding any case referred to herein, or will answer questions in banking law. Address: *Law Department*, RHODES' JOURNAL, 13 *Spruce Street, New York.*

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vehicle to effect payment. Certification is a subsequent contract between the holder of the check and the bank.[1]

Any check which a bank certifies it could with equal propriety pay on the spot, and here the duty of the drawer to his former creditor ends. He has afforded him an opportunity to be paid from his funds, and the holder of the check has substituted a new contract in place of his, and thenceforth takes the risk of the solvency of the bank which certifies.

No analogy can be drawn from the rules governing bills of exchange, for there the drawer contracts that the bill shall be accepted *and* paid. Here the contract is that the check shall be paid *on presentation.* The holder cannot demand certification nor can the bank force him to take it, and upon refusal to do anything but pay, the former can resort immediately to the drawer.

A single case will illustrate the operation of this rule. The firm of I & M, doing business at Nashville, drew their checks on the Bank of Tennessee to pay for $1,600 worth of sugar sold them by the plaintiffs. The latter promptly presented them to the bank by which the checks were thereupon certified. On the approach of the U. S. troops the bank was removed South, and did not return until after the war, and then had become insolvent. This removal took place almost immediately after the certification of the checks. After presentment to and refusal of the bank to pay, the payees sued the drawers, and the Court held the latter to be discharged, saying: "We think both in principle and all modern authority, the Court below charged correctly, that plaintiffs, by having the checks certified, thereby made them their own, and held them at their own risk, and could not after this recover either on the check or original consideration."[2]

It remains, therefore, to consider the new relations which the bank, upon certifying, enter into with the holder of the check.

It is an absolute guaranty of the genuineness of the drawer's signature. As to that the rules governing acceptance of bills of exchange and certification of checks are alike. And this has been rigidly held to be the rule ever since about the middle of the last century, when Lord Mansfield decided the leading case of Price *vs.* Neale.[3]

It was there said that the question did not admit of argument, and it has since been regarded as well settled law, and followed in hundreds of cases.

There are two other elements which complete the effect of the certification. (1.) A representation that the drawer has funds to that amount in bank to meet the check; and, (2). A promise that they shall be reserved and the check paid.

1. Oddie *vs.* National City Bank, 45 N. Y., 735.
2. French *vs.* Irwin, 27 American Reports, 770.
3. 3 Burr, 1355. In that case the forgery had been committed by one Lee, whom it incidentally appears by the report, "has since been hung for his forgery."

Great efforts have been made to attach additional qualities to it, but it is believed that there is no well-considered authority which so holds. With the body of the check the bank has nothing to do, and if before or after certification the check is fraudulently raised and passed into the hands of an innocent holder for value, the bank is not liable for the overplus, and some authorities go the length of holding that the fraudulent alteration makes the instrument absolutely void so that the holder is entitled to no credit by reason of it.

Even where the bank has paid the check, under such circumstances, it may still recover back the amount from the person to whom it has paid it, always assuming that the bank is not at fault and notifies the party to whom it has paid immediately upon discovering the mistake. In this State one of the most recent and authoritative decisions covering all the points above discussed, is that of the Marine Bank *vs.* The National City Bank[1] which owing to the industry of the counsel for the defendant in obtaining and making an elaborate re-argument called out one of the clearest opinions on this subject from the late Judge Allen which is in the books.

A per curiam opinion had been rendered in which the law was held to be as above stated.

On the re-argument the affidavits of a number of the most eminent bankers and merchants of the City of New York were presented to the Court setting forth that in their opinion the certification estopped the plaintiff bank from claiming a return of the money.[2] Lunt Brothers had drawn a check on the plaintiff bank for $25 to the order of Henry Smith and delivered it. The date, payee, and amount were changed, the last to $4,079.96 and the check then tendered to Derippe & Co. in payment for gold. Upon sending to the Marine Bank and receiving a certification of the check, D. & Co. delivered the gold and deposited the check in the National City Bank which received the $4,079.96

1. 59 N. Y., 67.

2. Nothing can exceed the courtesy and sound sense with which the Court passes upon these affidavits. "While the opinion of any one of the gentlemen with whose opinions we are favored, adverse to our conclusions, might lead us to hesitate, we cannot yield our convictions as to the legal meaning and effect of the transaction. If perchance we have unduly limited the liability of the certifying bank, and have not given to the certification all the potency which those dealing in certified checks think it should have, for the convenience of commerce and the ready transaction of business, a slight modification in the form of the certificate will fully express the enlarged obligation and meet the views of those who differ with the Court in the interpretation of the contract in the form now made. If the counsel for the respondent is not in error in his views, very earnestly pressed upon us, banks and bankers will at once conform to the necessities of the case, and adopt a form of certification which will meet the views of those interested, and make the certifying bank not only a voucher and liable for the genuineness of the signature of the drawer of the check, and the sufficiency of the account to meet it when it shall be presented for payment, but also for the genuineness of the body of the instrument, the indorsement of the payee, and every other indorser, and the title of the holder. There is no legal objection to banks assuming a liability to this extent if they please to do so, but the intent should be plainly manifested by the terms of the undertaking." Id., p. 74.

from the Marine Bank, credited D. & Co. and allowed them to draw it out. The Marine Bank discovered the mistake the same day, offered to return the check, and requested repayment and then sued for the return of the money which it was allowed to recover. The exhaustive opinion which was rendered upon the re-argument accorded rather to meet "the views and opinions of the distinguished bankers and merchants expressed, than to any intrinsic difficulties or any doubts entertained by the Court," has probably set the question as to the exact meaning of the ordinary bank certification forever at rest.

The result of this reasoning leads to the conclusion which appears a trifle singular upon examination for the first time, that where all of the check but the signature is a forgery the bank which certifies is not liable, where signature and all is forged it must stand the loss.

A case sustaining the latter proposition is that of Hagen *vs.* Bowery National Bank,[1] which was argued for the plaintiff by the father of the writer. There the check, signature and all was a forgery. The Bowery Bank certified it. The forger procured another bank to certify his indorsement and then presented it to the plaintiff to pay for gold. Plaintiff sent the check to his bank to ascertain if the certification was genuine, and as the Teller had gone home, the matter went over until the next morning. Meantime the Bowery Bank had discovered the forgery, and advertised the fact in four newspapers published in the City of New York. The plaintiff did not see this notice, and as the Teller of his bank in the morning expressed the opinion that the certification was correct, plaintiff delivered the gold and took the check in good faith. The Court held as follows: "Whether the indorsement purporting to be that of the payee named in the check was genuine or not, or whether the person so named was a fictitious person, imperfectly appears. But it was immaterial whether it was one or the other. There can be no real payee of a forged instrument. As between the plaintiff and the bank, the liability of the latter attached upon the check being certified. And as it is impossible to make title to money payable upon a forged check, through an indorsement thereof, proof of the genuineness of the indorsement is unnecessary for that purpose. The evidence shows that the person from whom the plaintiff received the check went by the name endorsed thereon, and that the indorsement was made by him. This is quite sufficient to protect the plaintiff against any imputation of bad faith or negligence in taking the check. The advertisement of the forgery not having been brought home to the plaintiff, can have no effect whatever upon his right to recover."[2]

The case of the Security Bank *vs.* National Bank of the Republic,[3] presented a state of facts similar to that of the Marine Bank *vs.*

1. 64 Barb., 198.
2. See Raphael *vs.* Bank of England, 17 C. B., 161.
3. 67 N. Y., 458.

National City Bank, supra, and in addition an offer on the part of the defendant to show, 1st. That a bank certification was understood by the business community to import an engagement on the part of the bank that the check was genuine in all its parts, and 2d. That when the check was presented for certification the holder thereof stated to the Teller that he did not like the looks of the messenger who brought him the check, and had doubts about it, and wanted to be assured that it was right in every particular, and that the Teller replied that he need not have the slightest doubt about the check, and that it was correct in every particular.

These offers were ruled out on the trial, and this ruling was sustained by the N. Y. Court of Appeals, which held that the contract of certification had a settled legal construction, and that an offer to prove that by the understanding of business men it had a more extended meaning was inadmissible,[1] and as to the second point, that such declarations as the Teller made were expressions of his opinion, that his authority was limited to making the customary certification, and any attempt to do more would be in excess of that authority and would not bind the bank.

This leads us to the last point which will be considered, namely: Who is the proper officer to certify, and what is the extent of his authority to bind the bank? These inquiries will be treated together. Undoubted power is lodged in the Cashier to make the certification. The bank speaks through and by him in the performance of all its banking functions, and his authority is necessarily very broad. But owing to the multiplicity of the business of the bank, it is convenient and necessary that he should delegate certain of his functions, and so the duty of certifying is by most banks confided to their paying tellers. And appropriately enough, they, more than all others of the bank officials, are conversant with the exact state of the accounts of the various depositors, and can therefore more readily decide upon the propriety of certifying checks when presented. None should be certified save such as might then be paid, and the paying teller is able instantly to pass upon such as might be paid.

But as we have seen, certification having an accepted legal and commercial meaning the effect of it is limited, and declarations or certificates of the teller as to matters not comprehended within the well-settled scope and meaning of the act, will be without force. Knowledge is imputed to every one who takes a certified check of the law that the certification relates to and is a guaranty to the holder of the three facts above noted, and these alone. Suppose, however, these facts do not actnally exist. Is the bank then bound?

1. Four cases are cited to sustain this ruling.
Burgett *vs.* Oriental Mututal Ins. Co., 3 Bos., 385.
Higgins *vs.* Moore, 34 N. Y., 417.
Lawrence *vs.* Maxwell, 53 id., 19.
Wheeler *vs.* Newbould, 16 id., 392.

It has been contended that a teller is the agent of the bank to certify in cases where there are funds, not where there are not, and that a bank as ordinarily constituted, is entirely without authority to certify in the absence of sufficient funds, as it thus becomes mere accommodation surety for the benefit of another. Such a contract could not be enforced by any person who was conscious of the fact that the bank, through its officer, was exceeding its corporate powers. It would be *ultra vires.*

But principals are bound in frequent instances by the misrepresentations of their agents, and such would be the rule in this case as applied to the warranty of any fact which the certification is understood to mean. The reason of the rule cannot be given in better language than that of a portion of the opinion in the case of the Farmers' *vs.* Butcher's Bank,[1] which is a leading authority on this question. "It is conceded that every one taking the checks would be presumed to know that the teller had no authority to certify without funds. But this knowledge alone would not apprise him that the certificate was defective and unauthorized. To discover that, he must not only have notice of the limitations upon the powers of the teller, but of the extrinsic fact that the bank had no funds; and as to this extrinsic fact which he cannot justly be presumed to know, he may act upon the representation of the agent. There is a plain distinction between the terms of a power and facts entirely extraneous, upon which the right to exercise the authority conferred may depend. One who deals with an agent has no right to confide in the representation of the agent as to the extent of his powers. If therefore a person knowing that the bank has no funds of the drawers should take a certified check, upon the representation of the cashier or other officer by whom the certificate is given, that he was authorized to certify without funds, the bank would not be liable. But in regard to the extrinsic fact, whether the bank has funds or not, the case is different. That is a fact which a stranger who takes a check certified by the teller cannot be supposed to have any means of knowing. Were he held bound to ascertain it, the teller would be the most direct and reliable source of knowledge, and he already has his written representation upon the check. If, therefore, one who deals with an agent can be permitted to rely upon the representation of the agent as to the existence of a fact, and to hold the principal responsible in case the representation is false, this would seem to be such a case." [2]

This is undoubtedly the law, and has been since followed, although there is an earlier Massachusetts case to the contrary.[3]

1. 16 N. Y., 125.

2. See also Stoney *vs.* American Life Insurance Company, 11 Paige, 635. Where it is held that a negotiable security of a corporation in the hands of a bona fide holder, in all respects valid upon its face, is good, although issued at a place and for a purpose not covered by its charter.

3. Mussey *vs.* Eagle Bank, 9 Metcalf, 306.

Another case in point which excited peculiar interest on account of the magnitude of the amount involved, arose in Massachusetts, and is that of Merchants' National Bank *vs.* State National Bank, supra.[1]

The checks certified by the cashier of the defendant in that case amounted in the aggregate to $600,000. He went personally with a member of the Boston firm of Mellen, Ward & Co., which soon after failed, to the banking-house of the plaintiff and there effected the transaction. His authority was denied by defendant.

The U. S. Supreme Court decided that when a party deals with a corporation in good faith, the transaction is not *ultra vires* if he is unaware of the defect of authority and there is nothing to excite suspicion, although such defect in fact exists, and (to use the language of the Court), "estoppel *in pais* presupposes an error or a fault, and implies an act in itself invalid. The rule proceeds upon the consideration that the author of the misfortune shall not himself escape the consequences and cast the burden on another. Smith was the cashier of the State Bank. The plaintiff did not approach him. Upon the faith of his acts and declarations it parted with its property. The misfortune occurred through him, and as the case appears in the record upon the plainest principles of justice, the loss should fall upon the defendant. The ethics and the law of the case alike require this result.

Those who created the trust, appointed the trustee and clothed him with the powers that enabled him to mislead—if there were any misleading—ought to suffer rather than the other party."

From this imperfect sketch it will be seen that the rules governing this branch of the law merchant are to be found in an admirable state of certainty, and that a resort to the books containing the cases already adjudicated will readily settle, either by direct authority or by analogy, almost any question which may arise under it.

1. Reported also in Redfield and Bigelow's leading cases upon Bills of Exchange, page 739.

FINANCIAL LAW—RECENT DECISIONS.

[COMPILED FROM THE ALBANY LAW JOURNAL.]

NATIONAL BANK—STATE COURT MAY ENJOIN AND APPOINT RECEIVER OF.—Where judgment has been rendered in a State Court against a national bank, and upon the execution based thereon a return of *nulla bona* has been made by the sheriff of the county where the bank is located, and the bank has ceased to discharge its functions as a fiscal agent of the United States, and is disposing of its assets which cannot be reached by levy and sale under the common law execution among its stockholders, thereby endangering the safety of those assets and the judgment debt of the creditor, equity will relieve by the grant of an injunction and appointment of a receiver. Until a receiver has been appointed by a Federal Court, neither law nor comity requires the State Court to suspend its equitable remedy to reach the assets of the bank and enforce its own final process until the Federal Court shall act; especially where in the Federal Court the case is made by the stockholders of the bank and the judgment creditor is not made a party thereto. Georgia Sup. Ct., Sept. 23 1879. Merchants' and Planters' National Bank *vs.* Trustees of Masonic Hall. Opinion by Jackson, J.

PROMISSORY NOTES—ILLEGAL CONSIDERATION—INNOCENT PURCHASER—NOTICE.—The statutes of Iowa require that notes given for insurance in any company doing business in the State shall state upon their face that they have been taken for insurance, and shall not be collectable unless the company or its agents have fully complied with the laws of the State relative to insurance. Defendant, in payment for a lightning rod put on his house, made his negotiable note in the ordinary form without any statement as to what it was given for, the payee of the note at the same time in writing warranting the house for ten years against damage from lightning. This note was discounted by plaintiff at twenty five per cent. discount. *Held*, that even if the contract of warranty should be considered in the light of an insurance on the house so as to require the note to state on its face that it was given for insurance, the fact that the note did not so state would not render it void in the hands of an innocent purchaser without notice. *Held*, also that the amount of discount at which the note was purchased by plaintiff was not a circumstance to put him on inquiry. The Court remarked that "it should not be inferred that we deem the law to be, that the purchaser of a negotiable promissory note for value, before maturity, will not, if he purchased under circumstances which would have excited the suspicion of a prudent man, be regarded as an innocent purchaser. It was, it is true, so held in Gill *vs.* Cubitt, 3 Barn. & Cress. 466; but the rule in England now appears to be that even gross negligence will not necessarily defeat a recovery, and do so only where it is such as to evince actual bad faith. In this country the decisions have not been entirely uniform, but the weight of authority is probably in accord with the latter English rule. Gage *vs.* Sharpe, 24 Iowa, 15; Lake *vs.* Reed, 29 id. 258. See, also, Daniel on Negotiable Instruments, §§ 774 and 775." Iowa Sup. Ct., Sept. 17, 1879. Cook *vs.* Weirman. Opinion by Adams, J.

USURY—WHEN NOTE TAINTED BY, VALID IN HANDS OF INNOCENT HOLDER.—The principle is now well settled that if a note is not declared void by statute, mere illegality in its consideration will not affect the rights of a *bona fide* purchaser for value. Norris *vs.* Langly, 19 N. H. 423; State Bank *vs.* Thompson, 42 id. 369; Converse *vs.* Foster, 32 Vt. 828; Paton *vs.* Coit, 5 Mich. 505; Sistermans *vs.* Field, 9 Gray, 331. But where the illegal consideration is proved, the burden of proof is on the plaintiff to show that he is a *bona fide* holder for value, and without notice. Accordingly, when a statute forbidding usury declared that "if a greater rate of interest than is hereinbefore allowed shall be contracted for, or received, or reserved, the contract shall not therefore be void; but if in any action on such contract proof be made that illegal interest has been directly or indirectly contracted for, or taken, or reserved, the plaintiff shall only recover the principal without interest, and the defendant shall recover costs." *Held*, that the defense of usury would not be available against a *bona fide* holder for value without notice before maturity. Nebraska Sup. Ct., Sept., 1879. Wortendyke *vs.* Meehan. Opinion by Maxwell, C. J.

BANKING AND FINANCIAL NEWS.

Assessing Town Bonds.—The Attorney-General of the State of New York says town bonds which have been deposited by their owners in certain banks for safe-keeping, should be assessed in the town or ward where they reside, when the assessment is made for all personal estate owned by them.

Bank of England Rate.—The London "Standard," of Oct. 21st in its financial article, says it is rumored in well-informed circles that a rise in the minimum rate of discount of the Bank of France is imminent. If this prediction is verified, an advance in the official quotation of the rate of the Bank of England, which is now two per cent., could not be long deferred.

A Quick Transit from Bank to Prison.—Frank Boynton, the Receiving Teller of the North National Bank, Boston, arrested for embezzling funds to the amount of $23,751, was sentenced, October 25, to five years at hard labor in the jail at Dedham. A little more such prompt work with this class of bank thieves, and the business will not be heard of so frequently in the future.

A Dividend to be Paid.—On petition and motion of Charles E. Patterson, Receiver of the Merchants' and Manufacturers' Bank of Troy, it was ordered (October 10) that the Receiver pay a dividend of ten per cent. to the creditors of the bank; that money to pay the dividend be transferred from the Trust Company at New York to the credit of the Receiver of the Union National Bank of Troy, and that the Receiver compromise several small claims, and sell the judgments which he has not been able to collect.

One City where Gold Abounds.—It was mid-month payday in the Treasury Department at Washington Oct. 15th, and the clerks accordingly received their semi-monthly salaries. Every dollar was paid in specie, 10 per cent. in silver dollars, and 90 per cent. in gold coin. Some of the clerks objected, but the order to pay in coin was obligatory for that time at least. The consequence was that a considerable quanity of gold was in circulation there for some few days, and the banks cashed a good many checks in that coin.

New Gold Mines Discovered.—A dispatch from Fort McKinney, Wyoming Territory, dated October 14, says: "Great excitement prevails in this vicinity on account of the recent rich discoveries of gold-bearing quartz in the Big Horn Mountains, about 75 miles northwest of this post, at the head of the Tongue River. Large numbers of miners are passing through this place on the way to the mines. Nearly all the citizens of this region are starting for the mountains. Ore has been assayed with the following results: Lowest, $4; highest, $70 per tun."

The Pittsburg Embezzlers Guilty.—James H. Riddle, head of the firm of Riddle, Coleman & Co., and President of the Franklin Savings Institution, and his son George D. Riddle, Cashier of the Savings Institution, who have heretofore been looked upon as solid and substantial business men, have been found guilty on four counts for embezzlement and two for conspiracy. The account of Riddle, Coleman & Co. was overdrawn to the amount of $86,496.07. The account of Frantz & Co., of which firm the Cashier is a member, was overdrawn $2,457.04 Besides these irregularities $5,847.71 was embezzled from the Savings Institution.

Not a New Counterfeit.—A week or so ago the announcement was made in some of the daily papers that a Philadelphia counterfeit detective firm had just discovered a new counterfeit of the twenty-dollar legal-tender Treasury note series of 1875. The discovery was a decided mare's nest, for the same identical counterfeit was fully described in RHODES' JOURNAL last May. But four of the notes have been either seen or heard of by the Secret Service Department, and all of them have undoubtedly been executed manually with a pen and ink, so that it is not at all likely that any large number of them will be palmed on the public.

The Wheat Crop.—E. H. Walker, statistician of the Produce Exchange, after a careful estimate from authoritative reports, places the wheat crop of the United States for 1879 at about 425,000,000 bushels. The Spring wheat crop will not be so large as was at first expected, that of Minnesota being no more than 28,000,000 bushels, instead of 40,000,000 as estimated early in the season. The amount consumed by 48,000,000 persons, plus the amount required for seed and other purposes, is placed at 250,000,000 bushels, leaving 175,000,000 bushels for export, 160,000,000 bushels for Europe, and 15,000,000 for other ports.

How Jay Gould Astonished the Dutch.—During Mr. Gould's recent trip in Europe he had some railroad matters to attend to which is thus referred to in the "London Railway News:" "We hear from Amsterdam that Mr. Jay Gould rather astonished the Dutch financiers. It appears that he was negotiating with bankers there about a Kansas railroad whose affairs have been in litigation for several years. He finally offered $1,300,000 for the first mortgage bonds held by the syndicate, which they accepted, with the proviso that interest should be added to the date of payment. Gould agreed, but created a sensation by immediately writing a check on Messrs. J. S. Morgan & Co., of London, for the full amount."

A Business-like Receiver.—Richard M. Bent, receiver of the New Amsterdam Savings Bank of New York City, filed his supplemental report in the County Clerk's office Sept. 26. He was appointed receiver about two and a half years ago, during which time he has paid three dividends to the depositors amounting to $392,135.81, or 77 per cent. The total assets in the hands of the receiver for the dividend fund were $393,000 and the small balance of $565.63 remains in his hands unexpended. The sum of $420.39 is required for unclaimed dividends.

This is a remarkable exception to the general rule of receivers in this city, as well as elsewhere. The usual plan is to keep on *receiving*, but the paying out is the difficult part for them to perform; it takes an interminable time to pay out even a small sum of money.

The Treasury Department's Clearances.—The Treasury Department became a member of the New York Clearing House on Jan. 1 last. Up to the 1st of October all the government balances through the Clearing House have been settled in United States notes. During the first half of the month the balances paid by the Sub-Treasury at New York, through the Clearing House, amounted to $15,241,000. Of this sum $5,000,000 and all checks for called bonds—$2,500,000—were paid in gold at that point, which makes the total amount of gold paid out at New York in the period named $7,500,000. This payment of gold, it is said by Treasury officers, will last as long as the heavy receipts of gold from abroad and the scarcity of notes continue. While the $7,500,000 was being paid out, about $4,000,000 in gold was received at the Treasury Department, making an actual increase in the gold circulation of more than $3,000,000.

Chicago Banks.—The condition of the banks of Chicago, according to the return made to the Controller of the Currency, Oct. 2, is very different from that of our own City banks. As compared with their return of June 14, they have increased their cash on hand by over $2,000,000 and their deposits by over $3,900,000, while their loans have decreased nearly one million, ($968,982). The reserve instead of being barely the 25 per cent. required by law, as is the case here, is about 47 per cent. of their deposits, and, including United States bonds, is 56 per cent. of their liabilities. The Chicago banks are reported to have acted in a very conservative manner with reference to produce speculation, and to have advanced their margins as the tendency to speculation has grown more pronounced. It is unfortunate that the general statement of the New York banks shows that a similar course has not been followed with entire uniformity here.—*N. Y. Times.*

Wall Street Operations.—The New York "Times" of Oct. 25, thus refers to one of the ways resorted to in Wall street to affect prices: "The stock market was very excited yesterday and the fluctuations were frequent and violent. Several of the more wealthy gamblers deliberately set to work early in the morning to manipulate matters They called in simultaneously all the loans they had put out, and borrowed all the money they could lay their hands upon, and, having accumulated in this way between $5,000,000 and $10,000,000, locked it up out of the reach of the smaller speculators. At the same time they sent their brokers into the Exchange to offer high rates for money and sell stocks down. All this had the effect of frightening the immense crowd of petty outsiders who have been gambling on small margins, and they rushed to sell, too, before they should be cleaned out. The consequence was a decline in prices ranging from ⅛ to 5⅛ per cent. Subsequently there was a sharp recovery of ⅛ to 3⅛ per cent., but at the close another tumble took place in which the improvement was partially lost. The recorded transactions exceeded 500,000 shares."

Ohio & Mississippi, Springfield Division.—The bond holders of the Springfield Division of the Ohio & Mississippi Railway Company have filed their bill of foreclosure in the United States Circuit Court for the Southern District of Illinois, and have brought a suit at law for $1,000,000. The hearing in the case has been set for October 21. The suit of the preferred stockholders has been postponed to October 31

Allegheny County (Pa.)—The Pittsburgh "Commercial Gazette" thinks that $2,750,0000 will settle all the claims against Allegheny County for damages to property resulting from the railroad riots. This is putting the losses of the Pennsylvania Railroad Company at $1,300,000. The Company claims, however, about $5,000,000, so the entire bill will be about $7,000,000, which the tax-payers will have to pay under the recent decision of the Supreme Court of Pennsylvania. The present debt of Allegheny County is $1,750,000.

Not in the Failed Bank.—A bucolic tale of financial innocence and ignorance s related by "The Troy Times." A stranger entered the Merchants' and Mechanics' Bank and throwing upon the paying teller's desk two certificates of deposit of $5,000 each, exclaimed: "There you can give me my little ten per cent. on them. I've held 'em some time and have kept it all to myself, but I guess they are good for $1,000 today." "I guess not," replied the clerk, "they are not good here. You have made a mistake." "No mistake at all," said the stranger, "I paid $10,000 for 'em when I thought this 'ere bank was solid, but I never expected to get a cent. I'll take my $1,000 now, however." The clerk reiterated his former statement, that they were not good there, and, to the surprise of the unfortunate stranger, informed him that his $10,000 were safe and sound in the Manufacturers' Bank, upon which the certificates were drawn. "Well I swan," the happy man was heard to mutter as he left the bank, "I'm $9,000 better off than I thought I was."

Money in a Chicken-Coop.—A Baltimore paper states that on a recent Saturday night a provision house in that city sold to a market-man four coops of chickens, which had been received from the West by the Baltimore and Ohio Railroad. When the coops were being delivered, one of the firm discovered a roll of paper in the bottom of one of them, and on opening the roll it was found to contain $5,000 in bills. On a further search in the same coop another roll was found, which contained $2,500. It is now stated that these packages were misplaced by a careless express agent at Benwood, on the Baltimore and Ohio Railroad; that during the transfer of express matter by the agents at that point, the agent coming east took the packages, receipted for them, and temporarily placed them on the coop. In the hurry of the moment they were forgotten, and when the coop was moved the two bundles of money fell inside. The chickens were consigned to and sold by Stewart & Co., by whom the money was found as above stated and returned to the Baltimore and Ohio Express Company. The express agent was promptly discharged.

The Case of Sir Francis Hincks.—The trial of Sir Francis Hincks, one of the Directors of the Consolidated Bank of Montreal, charged with signing false returns to the Government, was concluded October 20th. Mr. Kerr, counsel for Sir Francis, in addressing the jury, said the form supplied by the Government was correctly filled by the executive officers. This was shown by the evidence of Mr. Angus, General Manager of the Bank of Montreal; Mr. Grindley, of the Bank of British North America, and Mr. Ingram, of the Merchants' Bank. It was also shown that it was the general custom of the banks to place loans on time under the head of deposits, and he maintained that the demand notes were placed under their proper heading. Mr. Ritchie, for the Crown, withdrew the charge in the indictment that it was possible for a bank President to check all returns in the time allowed by the Government. He urged that the accused Director knew of the money being borrowed from other banks to keep the doors of the Consolidated open, and also had a knowledge of the demand notes and bonds, and, consequently, Sir Francis was guilty of making false returns to deceive the government and the public. Justice Monk, after dwelling upon the deplorable nature of the case, charged strongly against the accused man. The jury, after an absence of an hour and a quarter, returned a verdict of guilty.

Western Union Telegraph.—Mr Norvin Green, President, has recently received the following cable from Manager Weaver, of the Anglo-American Cable Company: "The directors of this company have resolved that from the day of the opening for traffic of the new French transatlantic cable laid down by 'La Compagnie Francaise du Telegraphe de Paris a New York,' to reduce the tariff of the Anglo-American Telegraph Company via Valentia or via Brest for messages between the United Kingdom and France and New York and Canada to sixpence and sixty centimes per word respectively. In order to provide for the large increase of business which, it is anticipated, will be the result of this reduction, a new cable will be laid by this company in 1880. Due notice will be given of the exact date upon which this new tariff will come into force, but it is considered desrirable to send you this preliminary notice as similar lones have been forwarded to various telegraph administrations and other official public bodies."

Europe's Reviving Trade.—The London "Times" of October 24th in its financial article says: "The reports from the industrial centres are each day more eagerly scanned for fresh signs of revival in the activity which has already appeared in many quarters where stagnation prevailed so long. Whether the improvement is due, as some persons maintain, more to speculation than to a bona fide demand, remains to be seen. In the meantime, prices are rising, and orders are coming in, and as long as manufacturers take care to deal with responsible buyers, the speculators may be left to take care of themselves. The iron industry led the way, and the revival is now spreading to textile fabrics, among which our chief interests centre. In cotton the Messrs. Ellison & Co., of Liverpool, estimate the probable available supplies for imports to Europe from all sources, at 5,235,000 bales, against 4,857,000 bales in 1878-9. This estimate places the total supply of American at 5,100,000 bales, of which 3,370,000 will be for Europe. They conclude that should these estimates be realized, there will be enough cotton to allow of increased deliveries to the point touched in 1877-8, but no more. That the consumption of 1879-80 will exceed that of 1878-9 is scarcely doubtful. Beyond that point they cannot pretend to forecast the course of trade, but, in the absence of any new financial or political disturbances, it is only reasonable to expect a higher average of prices than those of the past season."

Commerce of Three Cities.—The total value of exports from the port of Boston during the week ending October 17 was $1,393,735, of which $44,539 represented re-exports. Some of the principal articles were 125,352 bushels of corn, 2,958 barrels of corn meal, 86,805 bushels of wheat, 26,144 barrels of wheat flour, 9,849 bales of cotton, 2,299,604 pounds of bacon, 509,734 pounds of butter and 516,520 pounds of tobacco. The The total value of exports since January 1 is $42,816,303, against $42,075,056 and $34,-015,307 in 1878 and 1877, respectively. The imports at the same port for the week ended October 10 were valued at $809,636, against $953,552 for the corresponding week last year. The value of imports for the year to same date were $34,631,863, against $29,775,194 for the corresponding period last year, showing an increase the present year of $4,856,669.

The shipments of grain from Philadelphia for the week ending October 17 amounted to 666,697 bushels, and the total exports since the commencement of the year comprise 15,515,018 bushels of wheat, 12,425,009 bushels of corn, and 109,619 bushels of rye. The exports of petroleum amounted to 2,644,965 gallons, making a total since January 1 of 59,814,223 gallons, against 50,026,930 gallons during the same period in 1878.

The value of domestic produce cleared from Baltimore for foreign countries in the week ending October 16 amounted to $1,694,663, against $2,619,122 in the previous week, and $1,344,205 in the corresponding week last year. The principal articles exported were 8,835 barrels of flour, 883,720 bushels of wheat, 328,473 bushels of corn, 494,316 gallons of petroleum, 1,311 hogsheads of tobacco, and 1,265 bales of cotton. The total value of the exports since January 1 amounts to $52,402,084, against $44,458,913 in the corresponding period of 1878, an increase this year of $7,943,171.

The New York Clearing-House.—The New York Clearing-House Association held its annual meeting the 8th of October, and the report of the Board of Managers has subsequently been given out. It gives the transactions for the last fiscal year as aggregating $26,578,881,753.36, an average per day of $86,576,162.05. The report showed the following deaths of bank officers since the last annual meeting: President Denton Pearsall, of the Butchers' and Drovers' Bank, who died April 6, 1879, aged 68 years; President James L. Worth, of National Park Bank, who died August 29, 1879, aged 67 years, and Cashier Anthony Halsey, of the Tradesmen's National Bank, who died September 8, 1879, at the age of 60 years. During the year the Sub-Treasury and the Chase National Bank were admitted into the association. An arrangement was made at the meeting to renew with the Bank of America an old agreement, by which the latter will become a special depository for gold, for which it will issue certicates available in the settlement of balances at the Clearing-House. Such an arrangement was in existence from 1854 to 1861, but was dropped on the issue of legal-tenders. A handsome testimonial address, signed by the Presidents of 58 banks, was presented to Mr. James M. Morrison, who lately retired from the Presidency of the Bank of the Manhattan Company, after a banking experience of forty years. The following officers were elected for the ensuing year: Chairman, James Dowd; Secretary Francis M. Harris; Clearing-House Committee—Frederick D. Tappen, Benjamin B. Sherman, Jacob D. Vermilye, Charles F. Hunter, and George Montague; Conference Committee —William L. Jenkins, Charles M. Fry, Sylvester R. Comstock, Washington A. Hall, and William A. Wheelock; Nominating Committee—James D. Fish, George F. Baker, Robert Buck, Francis Leland, and Robert Bayles; Committee on Admissions—M. F. Reading, E. D. Randolph, George W. Perkins, George M. Mard, A. S. Apgar; Arbitration Committee—J. L. Everitt, Isaac Odell, William A. Booth, Henry W. Ford, and John Parker.

Business Again Prosperous.—Dun, Barlow & Co.'s circular for the quarter ending Sept. 30, 1879, exhibits a gratifying state of business throughout the country.

The following shows the number of failures in the United States and Canada for the quarter ending Sept. 30, 1879, compared with the same quarter in 1878, together with the amount of liabilities:

STATES AND TERRITORIES.	Third Quarter in 1879.		Third Quarter in 1878.	
	Number of Failures.	Amount of Liabilities.	Number of Failures.	Amount of Liabilities.
Eastern States	250	$2,055,925	535	$9,777,016
Middle States	430	5,195,446	879	27,732,811
Southern States	151	2,736,341	253	4,310,783
Western States	302	3,265,852	950	18,479,783
Pacific States and Territories	129	1,451,986	236	6,077,970
Total	1,262	$15,275,550	2,853	$66,378,363
Dominion of Canada	417	$6,908,617	295	$4,629,592

The circular says: "The foregoing figures indicate that for the third quarter of 1879 the failures in the United States have been less than one-half than for the third quarter of 1878, the precise decrease being 1,591. The liabilities show even a much larger proportionate reduction, being less than one-quarter of what they were in the same period of last year—the figures showing the liabilities for 1879 to be $15,000,000, as against $66,000,000 for the third quarter of 1878. It will, of course, be remembered that for the first two months of the third quarter of 1878 the failures were unusually numerous, owing to the prospective repeal of the bankruptcy law in September of that year; but, even taking that circumstance into consideration, the decrease in the last quarter is almost phenomenal, in view of the fact, that the average number of failures for third quarter of the preceding four years was 2,223, or nearly double the number of the first quarter's failures, while the average liabilities for the third quarter of the four years was $52,000,000, exceeding by three times the amount of liabilities of the third quarter of 1879. The figures for the quarter just ended, therefore, add another to the many indications of the wonderfully improved condition of trade throughout the country. For the nine months of the two years the comparison is almost as favorable as for the quarter just closed—the failures for the first three-quarters in 1879 being 5,320 in number, as against 8,678 for the nine months of 1878. The liabilities are $81,000,000 for the first nine months of 1879, as against $197,000,000 for the same period of 1878—a reduction in liabilities of more than one-half. Within a short year these failure figures have done duty toward illustrating a condition of trade as completely reversed as it is possible to conceive. For the quarter preceding October, 1878, they showed mercantile disasters more numerous and more calamitous than ever before in a similar period. In October, 1879, they photograph a condition for the preceding three months apparently as prosperous, and certainly as profitable, as ever before experienced in the ordinary history of the country. The suddenness of the change is most significant. It may be argued that, while values advance with unusual rapidity, failures must necessarily be few, and that if this advance is more regulated by speculation than by the inexorable laws of demand and supply, then there is danger that these figures may be misleading, as affording another indication that the recovery they illustrate is too rapid to be permanent."

Soiled Bank Notes Must be Redeemed.—A singular suit was recently brought in the St. John City Court. A party who had in his posession a Bank of New Brunswick five dollar note, placed it for safe keeping in one of his boots. Having got his feet wet, the note was stained and damaged, and he could not pass it off. He then presented it at the bank counter, but payment was refused. He next appealed to the President, who laid the matter before the Directors, who decided not to redeem it. The holder sued the bank in the City Court, the bank defended, and the court gave judgment in favor of the holder.—*Quebec (Canada) Mercury.*

Getting a Check Cashed in Paris.—To one accustomed to our quick business movements in New York, and the especial rapidity with which banking operations are performed, it is quite ludicrous to enter a Paris bank and watch the performances there. If you present a check for payment, instead of handing it directly to the Teller and getting your money instantly, or in two or three minutes at the latest (as in a New York bank), you walk up to an officer in uniform, of whom there are a dozen walking about the counting-room, in large banks like the Credit Lyonnais, outside the space reserved for the clerks. He conducts you to one of the places constructed like cells, in which the book-keepers are serving out a sentence of solitary confinement. You hand your check to the prisoner's assistant, who hands it to his "boss." The latter consults a big ledger. If there is sufficient "spondulix" to the credit of the drawer, and the signature has all its i's crossed and t's dotted, he returns it to the boy, who in turn hands it to you, with the request that you pay 2 sous for a revenue stamp. This being gummed on the back, the deputy prisoner asks your address, then indorses it on the back of the draft, and you write your name across the revenue stamp with date, etc., and then a second time under your address. This done, you are presented with a bronze medal the size of a saucer with a numeral upon it. You accept it modestly, believing it to be a sort of Legion d'Honneur arrangement, or a reward of merit. You then are requested to seat yourself on one of the numerous long settees ranged around the room, which you do, and wait prayerfully till your turn arrives. After meditating in this position for a half-hour on the transitory nature of life, the slowness of French bank officers, and kindred topics, after reading the morning papers through twice, including the advertisements, you begin counting the panes of glass in the roof, or study the countenances of your neighbors, all patient creatures (like yourself), who have become quite resigned to this mode of transacting business, and would be alarmed if they should enter an American bank and draw their money in five minutes instead of half an hour. They would think there was something the matter with the coin—bogus, perhaps, or something of that sort.

After exhausting all your patience and the window panes and floor-tiles likewise, an officer in another little den, dressed in a uniform composed chiefly of brass buttons and a big "plaque," the size of a dinner-plate, on his left breast, yells out: *Quatre cent quatre-vingt-treize!*" Of course, you don't know what he means, and sit stupidly wondering, but on a repetition of the cry you consult your brass door-plate and find you hold "No. 493." So up you march to the crier and present your medal, and in return he hands you out a little bowl which contains your lucre. I timed the operation. There were just five persons ahead of me when I entered, and it took 25½ minutes by the clock for me to draw my little check of 100 francs!—*From the American Register.*

The Gold Importation.—In referring to the notable fact that over four and a half millions of foreign gold lately arrived at the port of New York in the space of four days, the "Evening Post" says: "The total imports of foreign specie from Jan. 1 to last Saturday morning (October 18), were $50,135,202, so that it can now be said that nearly $55,000,000 of specie has come into the country since the resumption of specie payments; and nearly nine-tenths of the whole have arrived since August 1. If legal-tender notes, which should be destroyed when paid the same as the notes of an individual or a corporation, excepting a bank whose business it is to issue circulating notes, had been cancelled to the extent of the gold imports the volume of the currency would not have been contracted, for value legal-tender would have been substituted for credit legal-tender; the present reckless speculation would not have been possible at least to the extent to which it has gone, and the currency of the country would have been greatly improved."

The same paper, in its money article, in referring to the money market (Oct. 22), says: "Money on call is 6@7 per cent. to the best borrowers. On inferior collaterals rates are not quotable; by "inferior collateral" we mean stocks the value of which is doubtful and for which there is not at all hours of the day a ready market at the Stock Exchange. Some of the stocks which are delt in by the tens of thousands of shares are probably worth little or nothing, although selling at prices which imply value, but they are a safe enough collateral for at least private money-lenders so long as they can be sold at any moment at the Stock Exchange for enough to cover the money lent on them. Respecting the currency movement, the banks which have sent the largest amounts to the West report a decided falling-off in the demand from that section. It is notable that a good part of the demand that remains is being supplied by the Boston banks, which take this way of working off national bank notes. A New York bank gets an order from Chicago for say $100,000 currency. It sends to Boston to its correspondent there to start the currency from there. To the extent that this is done is New York relieved; and bankers here inform us that it is being done now to a considerable extent."

New York City Five Per Cent. Loan.—Controller Kelly of the City of New York, made the following awards to the lowest bidders for the 5 per cent. $6,000,000 loan, for which proposals were opened October 23d, and the Commissioners of the Sinking Fund have approved of his action:

Williamburgh Savings Bank	$200,000 at 102.27
" " "	200,000 at 102.07
H. F. Spaulding, Trustee	40,000 at 102.21
Newburgh Savings Bank	100,000 at 102.26
" "	100,000 at 101.76
Robert Copley	18,000 at 102.07
Charles H. Judson	20,000 at 102.00
William and John O'Brien	200,000 at 102.16
" "	100,000 at 101.96
East River Savings Institution	200,000 at 102.01
" " "	400,000 at 101.90
" " "	400,000 at 101.80
" " "	400,000 at 101.69
Dime Savings Bank of Brooklyn	150,000 at 101.66
Port Chester Savings Bank.	20,000 at 101.75
" " "	20,000 at 101.62½
" " "	40,000 at 101.50
Citizens' Savings Bank	200,000 at 102.00
" "	200,000 at 101.75
" "	200,000 at 101.50
Irving Savings Institution	100,000 at 101.48
John Stillwell	13,000 at 101.50
Morton, Bliss & Co., & J. & W. Seligman & Co	2,647,000 at 101.41
Germania Savings Bank of Kings County, Brooklyn	30,000 at 101.53

Redemption of Destroyed Bonds.—The following regulations concerning relief in cases of bonds of the United States which have been defaced, destroyed, or lost, were published by the Treasury Department October 17: "Persons presenting claims on account of coupon or registered bonds of the United States which have been destroyed, wholly or in part, or on account of registered bonds which have been lost, will be required to present evidence showing, first, the number, denomination, date of authorizing act, and series of each bond, whether coupon or registered, and, if registered, the name of the payee. In the case of registered bonds, it should also be stated whether they had been assigned or not previous to their alleged loss or destruction, and, if assigned, by whom, and whether assigned in blank or to some person specifically by name, and if assigned in the latter manner, the name of the assignee should be given; second, the time and place of purchase, of whom purchased, and the consideration paid; third, the material facts and circumstances connected with the loss or destruction of the bonds. In all cases the evidence should be as full and clear as possible, that there may be no doubt of the good faith of the claimant. Proofs may be made by affidavit, duly authenticated, and by such other competent evidence as may be in the possession of the claimant. Affidavits and evidence pertaining to the claim should be transmitted to the Secretary of the Treasury, upon the receipt of which they will be referred to the First Controller of the Treasury for his decision as to their sufficiency, and, as soon as a decision is reached, the applicant will be advised of the result, and, if favorable to him, a blank indemnity bond will be transmitted for execution, and, when returned and approved by the Controller and the Secretary, the relief desired will be granted. Duplicates in lieu of lost registered bonds will not be issued within six months from the time of the alleged loss. The interest on uncalled registered bonds will be paid to the payees thereof notwithstanding the alleged loss or destruction of the bonds. These regulations do not apply in any way to coupons lost or destroyed which have been detached from the bonds to which they belonged, as no relief in such cases can be granted under existing laws."

Coming to New York.—It appears that one of the leading bankers of the Pacific Coast intends to make New York his home, at least during part of the year. Mr. D. P. Morgan, the banker, has sold to Mr. D. O. Mills, the California millionaire, his mansion on Fifth avenue, opposite the Cathedral, fully furnished, for $375,000.

Some months ago the publishers of RHODES' JOURNAL made a proposition to send the publication on trial, up to Jan. 1, 1880, at reduced rates. The result has been highly gratifying in every respect. We take this method of thanking the many subscribers who have commended the JOURNAL. It will be our constant aim to make it invaluable to the banking community of the entire country.

A prominent banking firm in Pennsylvania sends the following note with their remittance:

"GENTLEMEN—Find our check No. —— to pay for your JOURNAL OF BANKING to January 1, 1880. We appreciate the JOURNAL as the best we have ever read. Wishing you abundant success, Yours truly,

* * *."

The Cape Ann "Advertiser," published at Gloucester, Mass., says: "RHODES' JOURNAL OF BANKING for October contains much valuable information concerning the currency, banking, savings institutions, and kindred themes."

Attention is respectfully directed to the special notice on another page referring to "The Banker's Year-Book." *Illustrations of Bank Buildings* to appear in advertisements are engraved *at our expense.* We guarantee first-class illustrations. Proofs submitted for approval. Can be engraved from a photograph, print, drawing, or outline sketch.

This rule also applies to illustrations of bank buildings to appear in the advertising pages of RHODES' JOURNAL.

RHODES' JOURNAL RECORD OF DEATHS.

HENRY H. FARNUM, President of the National Bank, of Port Jervis, New York, died October 14, 1879, aged seventy-one years.

He was favorably known in financial circles as a conservative business man, and was one of the wealthiest men in Orange County, leaving a fortune estimated at $1,000,000 to his widow, to whom he was married only six days before his death.

T. C. S. FERGUSON, President of the Lynchburgh National Bank, of Lynchburgh, Virginia, died October 27th, 1879.

He was also senior member of the large tobacco-manufacturing establishment of Ferguson, Lacy & Co., and was recognized as the leading business man of Lynchburgh, having filled many positions of public trust.

CHARLES P. WILLIAMS, the founder and for many years President of the First National Bank of Stonington, Conn., died October 28, 1879, aged seventy-five years.

Mr. Williams was a native of Stonington, and has always been identified with the commercial and financial interests of the borough. He was a thorough financier, of superior judgment, and a strict economist, yet kind and liberal in giving. In the State of Connecticut can hardly be found the record of so successful a business career, and few men, if any, that amassed a like estate, estimated to be several millions.

DR. RUDOLPH REUL, President of the First National Bank of Delphos, Ohio, died August 20th, 1879, aged fifty-two years.

He was a most estimable citizen, and his loss is severely felt in the community.

Bank Changes, New Banks, Etc.

CALIFORNIA.—Bank of California, San Francisco; capital reduced to $3,000,000.

National Gold Bank and Trust Co., San Francisco; W. S. Bartlett, Cashier, in place of W. P. Willard.

COLORADO.—Brown & Manzanares and Otero, Sellar & Co., El Moro; removed to Las Vegas, New Mexico.

DAKOTA TERRITORY.—First National Bank, Deadwood; M. C. Thum, Cashier, in place of S. N. Wood.

GEORGIA.—Barnesville Savings Bank; H. P. Powell, Cashier, in place of E. H. Bloodworth.

ILLINOIS.—City National Bank of Cairo; J. H. Smith, Acting Cashier, in place of W. Hyslop, resigned.

First National Bank, Batavia; succeeded by Coffin & Young.

D. Gardner & Co., Champaign; succeeded by Bailey, Maxwell & Miller.

Wall, Taylor & Co., Staunton; closing banking business.

INDIANA.—Bedford National Bank, Bedford; now Bedford Bank. Same officers.

Farmers' & Merchants' Bank, Lineville; now Bank of Lineville. Same officers.

IOWA.—Dunlap Bank, Dunlap; L. S. Amsden, Cashier, in place of G. W. Thompson.

Chas. Hammond and Wm. H. Tuthill, Tipton; consolidated as Cedar County Bank.

KANSAS.—Washington County Bank (Fred. A. Head), Washington; now Head Brothers.

KENTUCKY.—First National Bank of Louisville; A. L. Schmidt, Cashier, in place of F. P. Schmitt.

Logan Co. National Bank of Russellville: Hugh Barclay, Jr., President, in place of W. F. Browder; Wilbur F. Barclay, Cashier, in place of H. Barclay, Jr.

MAINE.—Merchants' National Bank of Bangor; Jonathan R. Holt, Cashier, in place of M. F. Stickney.

MASSACHUSETTS.—First National Bank of Barre; Frank A. Rich, Cashier, in place of C. G. Scott.

National Exchange Bank of Salem; Nathan Nichols, President, in place of H. L. Williams.

Rockport National Bank; Eli Golt, Cashier, in place of H. H. Paul.

MISSOURI.—Shelby County Savings Bank, Shelbyville; succeeded by Cooper & Dimmitt.

NEBRASKA.—Fred. L. Harris & Co., Friend; now L. E. Southwick.

NEW YORK CITY.—Manhattan Company Bank; J. T. Baldwin, Cashier, in place of J. S. Harberger.

NEW YORK.—First National Bank, Seneca Falls; W. P. Elwell, Cashier, in place of D. E. Partridge, deceased.

National Bank of Port Jervis; Chas. St. John, President, in place of H. H. Farnum.

Citizens' Bank, Waverly; R. L. Manning, Cashier, in place of H. Hallet.

Mechanics' Bank, Syracuse; winding up.

OHIO.—First National Bank, Monroeville, No. 2438, Capital $50,000. O. W. Head, President, H. P. Stentz, Cashier. Organized during week ending Nov. 1.

Commercial National Bank, Cleveland; capital reduced to $1,000,000.

PENNSYLVANIA.—Hyde-Park Bank, Scranton; assigned.

TEXAS.—Bank of Texarkana; succeeded by L. C. DeMorse & Co.

VIRGINIA.—Agency Lynchburg Fire Ins. Co., Liberty; succeeded by Bank of Bedford.

WISCONSIN.—Judge & King, Darlington; now Judge, King & Co.

THE BANKER'S INDEX.

The Money Market and Financial Situation.

NEW YORK, November 1, 1879.

The events in financial and commercial circles during the month of October were of unusual interest, in fact, in many respects, remarkable. On the Stock Exchange the wildest speculation chronicled since the memorable panic of 1873, has held full sway, and capitalists have been discounting, to a mad extent, whatever benefits will accrue from the really substantial revival in many of the legitimate interests of the country. This is not surprising in view of the fact that for years no opportunities have offered for a prolonged bull campaign in Wall Street, and that values were unduly depressed. Thus far the year of 1879 has been full of encouragement, and the revival in business has undoubtedly come to stay unless speculation carries values to a bursting point.

The coal trade is a fair criterion of the improvement in the manufacturing industries of the country. The increase in railroad construction and the revival in real estate operations, are plainly evidenced in the great demand for iron and steel, which in turn accounts in part for the enormous consumption of coal, the total output of which thus far this year is about 21,000,000 tons, showing the enormous increase of 7,500,000 tons over the same time in 1878. Furthermore the supply of coal on hand is quite small, and the probabilities are that the demand will be fully equal to the supply for months to come, and perhaps even for a longer period.

The great yield of cereals in this country and the short crops in Europe account, to a great extent, for the improvement in trade, having had the effect of bringing to America enormous amounts of foreign gold. We mention the coal and agricultural interests particularly because they have directly influenced the extraordinary movements on our Stock Exchange for some time past.

The money market has reflected the great activity in legitimate business and speculation. The active employment of capital has led to much higher rates of interest than usually prevail at this season of the year. The ruling quotation for call loans was 7 per cent., but at intervals borrowers well-known, offering good collaterals have been compelled to pay a commission in addition to legal interest. On pledge of miscellaneous securities as high as ¼@½ per cent. per diem was paid quite frequently. These figures were unquestionably due to some extent to artificial manipulation, but on the other hand, natural causes sufficiently account for the hardening in the rates for money. Thus the aggregate of exchanges at New York for the four weeks ending October 25th was $3,048,965,449, against $1,753,291,497 for the same period last year, showing clearly the great increase in the employment of capital for legitimate and speculative purposes. The course of the money market is all the more remarkable for the reason that since the first day of August over $50,000,000 of specie, nearly all gold, has arrived from foreign shores. It is this specie that has prevented a revulsion in the money market and saved the country from, perhaps, experiencing a panic. Large amounts of specie are still on the way from Europe, and it is confidently expected that the imports of the precious metals for the year 1879 will aggregate $100,000,000.

To-day the United States Treasury will begin the payment of something over $7,000,000 of interest. This money is not now in the market, and will therefore be a clear gain to it. The other November payments will probably amount to about $20,000,000, a large part of them being for the account of the city.

The movement of the cotton crop has necessitated heavy remittances of currency to the South, but the return flow will soon begin, and large sums will also be received shortly from the interior. From this time forth it is therefore reasonable to expect that the monetary situation will be free from any serious disturbances. The banks are increasing their circulation, and are likely to continue to do so as the advance in the rates of interest make the operation a profitable one. The statements of the New York City Associated Banks showed a gain in specie for the month of about $6,500,000, but on the other hand, the loss in legal-tenders reached about $8,000,000. The surplus reserve of the banks which on September 27 was $2,569,350, ran down to $261,425 on October 4th. From this point there was an increase to $1,279,975, while to-day's statement shows a deficiency in the legal reserve of $311,800. In this connection the Controller of the Currency has written to the national banks of this city, whose average reserve for the week ending October 25 was shown by the Clearing-House statement to have been below the legal requirement, to report to him the present state of their reserve, and directing them, if it is still deficient, to make it good as required by law. This we believe gives a delinquent bank thirty days in which to make good its reserve before the Controller can take any other action, but it also provides that delinquent banks shall make no new loans while the reserve is below the legal limit.

The following shows the averages reported by the banks for the past four weeks, and the amount of reserve held above and below legal requirements for the same period:

	Oct. 4.	Oct. 11.	Oct. 18.	Oct. 25.	Nov. 1.
Loans	$266,364,300	$268,701,800	$267,505,500	$269,433,800	$271,238,600
Specie	20,149,100	22,566,300	26,383,600	27,682,600	29,675,300
Legal-tenders	38,093,500	36,438,500	33,097,700	30,151,700	28,615,900
Deposits	231,920,700	232,780,500	232,805,300	231,668,000	234,412,000
Circulation	21,932,400	22,080,100	22,286,800	22,448,700	22,600,500
Surplus reserve	261,425	809,675	1,279,975	.....	......
Deficiency in legal reserve				$82,700	$311,800

There was a good demand for mercantile paper throughout, and prime names were scarce. The market closed as follows:

CURRENCY PAPER.

	Sixty days.	Four months.
Double-named—		
First-class	5½@ 6	6 @ 6½
Good	6 @ 7	6½@ 7
Single-named—		
First-class	6 @ 7	6 @ 7
Good	8 @ 9	8 @ 9
Not so well known	9 @10	9 @10

Toward the close of the month considerable comment was caused by the announcement that the Controller of the Currency had called upon Bank Examiner Meigs to enforce the following section of the National Bank Act in regard to the certification of checks:

"It shall be unlawful for any officer, clerk, or agent of any national banking association to certify any check drawn upon the association unless the person or company drawing the check has on deposit with the association at the time such check is certified an amount of money equal to the amount specified in such check."

The merits of this question are treated of elsewhere. Certain it is, however, that the low condition of the reserves of some of the banks, taken in connection with the current speculation on the Stock Exchange, which has made the wholesale certification of checks by the banks somewhat dangerous, called for some action on the part of the authorities, but it is also proper to add that the law has been a dead letter since its enactment, and hence the motive for the sudden change of front on the part of the Controller is questioned.

THE GOVERNMENT BOND market presented no noteworthy features, the volume of business having been very moderate in extent, and the changes in prices comparatively insignificant. The demand came chiefly from the national banks, which have increased their circulation about $3,500,000 during the month. Washington dispatches state that the increase in bank circulation during November will probably be greater than for any preceding month in several years. The demand for bonds from the banks more than neutralized the effect on the market of the high rates for money. It was freely reported that one of the banks was buying bonds for the account of the sinking fund of the United States Government, but nothing definite could be learned in regard to the matter.

The following table shows the highest and lowest prices for the month, and the closing quotations yesterday as compared with those on September 30:

	Int. Periods.	Closing Sept. 30.	Highest for Oct.	Lowest for Oct.	Clos'g Oct. 31.
6s, 1880, reg	J. & J.	104	104½	104⅛	104⅜
6s, 1880, coup	J. & J.	104	104½	104¼	104½
6s, 1881, reg	J. & J.	105¼	105½	105	105⅝
6s, 1881, coup	J. & J.	105¼	105½	105	105¼
5s, 1881, reg	Q.—Feb.	103⅛	102¼	101⅝	102¼
5s, 1881, coup	Q.—Feb.	103⅛	103⅛	102¾	103⅝
4½s, 1891, reg	Q.—Mar.	105½	105⅞	105⅜	105⅞
4½s, 1891, coup	Q.—Mar.	105½	105⅞	105¼	105¾
4s, 1907, reg	Q.—Jan.	101⅛	102½	101⅞	102¼
4s, 1907, coup	Q.—Jan.	102¾	102⅝	101⅞	102⅛
6s, currency, 1895, reg*	J. & J.	121½	122	121	123
6s, currency, 1896, reg*	J. & J.	122	122½	121	122¼
6s, currency, 1897, reg*	J. & J.	122¼	123	121	122½
6s. currency, 1898, reg*	J. & J.	122¾	123½	121	123
6s, currency, 1899, reg*	J. & J.	123	124	121	123½

*Bid.

STATE BONDS.—The business in State Bonds was rather more active than usual with a general advance in prices early in the month. Speculation ran chiefly to Tennessees, Louisianas and North Carolinas. Toward the close a reaction from the highest point took place. Some amounts of Louisiana consols were taken for Amsterdam account. North and South Carolinas were higher on the improvement in trade at the South, but the movement is, of course, wholly speculative. District Columbia 3-65s ranged between 83¾ and 84½, and closed at the latter figure. Tennessees, old, rose from 31 to 41¾; do., new, from 26½ to 34, and do., new series, from 26½ to 33¾, with closing sales at 38, 32⅞ and 33¼ respectively. Louisiana consols advanced from 39½ to 46½, and closed at 43½.

RAILROAD BONDS.—In railroad mortgages the dealings were on a scale of great magnitude, and at intervals were attended with a degree of excitement to which this department has long been a stranger. Taking the entire list into consideration, a much higher range of prices prevailed, the advance being partly in sympathy with the improvement in the share list. Better reasons, however, are advanced for the remarkable rise which has taken place in railroad mortgages. Many of the old established and regular interest paying roads have long been selling below the figures warranted by the amount of income afforded on these investments, while the low-priced issues are improving on the increase of their business and the steady development of the railroad system at the West, which is bringing about the consolidation of lines, thus enabling the companies to earn interest where separately they could not. The principal activity was in the Erie, Kansas & Texas, Iron Mountain and the Coal Roads' issues. The transactions in Erie consol 2nds amounted for the month to nearly $22,000,000, at prices ranging from 80¾ to 86¾, with final sales at 84⅝. Kansas & Texas 2nds rose from 33 to 47, and do., consol assented, from 78 to 90, with closing transactions at a reaction of 4 and 2 per cent., respectively.

THE FOREIGN EXCHANGES were characterized by a weak tone throughout, and the nominal asking rates for bankers' bills were reduced from 4.82½ and 4.84½ to 4.81½ and 4.83½ for sixty day and demand bills respectively. The weakness of the market was due to the free supply of cotton bills, the stringency in money, and the fact that the demand was confined almost exclusively to the gold importers. It is perhaps unnecessary to state that rates have continued below the specie importing point, and unless the Bank of England should advance its rate of discount, no change of importance need be looked for.

The market closed dull and weak. We quote:

	60 days.	Demand.
Prime bankers' sterling bills on London	4.80 @4.81½	4.82¼@4.83⅛
Good bankers' and prime commercial	4.79½@4.80⅛	4.82 @4.83
Good commercial	4.79 @4.80	4.81 @4.82
Documentary commercial	4.78½@4.79½	4.80 @4.81
Paris (francs)	5.25⅝@5.24⅜	5.23¾@5.21⅞
Antwerp (francs)	5.26¼@5.25	5.23¾@5.21⅞
Swiss (francs)	5.25 @5.23¾	5.22¾@5.21⅞
Amsterdam (guilders)	39¾@ 39⅞	40 @ 40⅛
Hamburg (reichsmark)	94 @ 94¼	94¾@ 95
Frankfort (reichsmark)	94 @ 94¼	94¾@ 95
Bremen (reichsmark)	94 @ 94¼	94¾@ 95
Berlin (reichsmark)	94 @ 94¼	94¾@ 95

THE STOCK MARKET has absorbed the chief interest in financial circles during the past month. Never before in the history of the Stock Exchange have the dealings reached such enormous proportions, and the really extraordinary changes which have taken place since our last review will be seen at a glance by the tables which follow. Taken altogether the speculation exhibited unexampled buoyancy, and notwithstanding that several sharp reactions occurred, the quotations in the final dealings were very close on to the highest figures of the year. The inherent strength of the market was best shown by the advance in prices at intervals in the face of "tight" money. For instance, yesterday, with call loans at ⅝ of 1 per cent. per diem and interest, Pacific Mail recorded an advance of over 4 per cent., and the general market followed close in the wake of this stock. It cannot be denied that the enhancement in values is to a certain extent based on solid grounds.

To enumerate only a few of the favorable elements at the back of the current movement in stocks, we may cite the immense addition to the circulating medium of the country by the resumption of specie payments, previous to which gold was so much merchandise; the largest imports of specie for any ten months in the history of the nation; the active demand for our crops, which has given to the railroads a tremendous traffic, and the revival in the iron and coal interests. Minor reasons exist for the improvement in securities generally, but those given above have been the backbone of the advance. During the greater portion of the month speculation ran wild on the coal stocks, which advanced 8¾ to 19¼ per cent. on immense purchases. Toward the close there was a reaction of 2 to 5 per cent., but the decline was partially recovered in the final dealings. All the coal companies advanced the prices for their product early in the month, and to-day a still further advance will go into effect. It is highly probable that as higher prices can now be had for the mere asking, the companies will, from time to time, make the public pay dearer figures for coal, and it is calculated by the believers in the shares, that the managers of the corporations now intend to pay dividends as soon as possible. Confidence is so strongly felt in the future of the trade that Mr. Packer's refusal to join a combination is regarded of little importance.

The Granger stocks sold at the highest figures ever attained. These roads are benefitting from the transportation of grain, which is certain to continue large for months to come. The trunk lines shares advanced first on account of the immense traffic offering, and second, to the fact that rates on grain have been advanced with the prospect of still higher charges when navigation closes. The rise in Erie was stimulated by reports that a contest was in progress between Vanderbilt and Gould for the control of the road. Toward the close the stock declined on statements by Mr. Vanderbilt, that he had no interest whatever in the property. It is pretty generally believed, however, that the gentleman referred to has been a large buyer of the shares, and that he has an understanding with Gould in the matter. To give color to this view it was reported on good authority, late in the month, that an arrangement had been made which will secure to the New York Central and the Lake Shore all the business, or the bulk of it, which the Wabash system of roads can collect and bring to Toledo, and on the other hand will secure to the Wabash and its tributaries and connections all the

Southwestern business of the New York Central and Vanderbilt roads. The Southwestern shares assumed a prominent position in the dealings, and there was a great advance in Wabash, Kansas City and Northern and others.

The telegraph shares were buoyant, especially for Western Union, which advanced about 18 per cent. Reports were current that this company had secured control of the opposition line, but these were denied. The advance in the shares can be traced to the great increase in the telegraph business, resulting from the activity in general trade and the speculation in stocks, grain and provisions at the leading cities of the country. Toward the close Pacific Mail took a sharp upward turn. The rise was attributed to the increase in the company's business, which is fast enabling it to liquidate its indebtedness to the Panama Railroad, and enabling the managers to make vast improvements in the service. It is believed that the company will shortly enter into a pooling arrangement with the Pacific railroads. The month of October closed with a cheerful feeling in stock circles, and a belief that the advance in prices will make further progress.

The fluctuations are shown in the table annexed, which gives the highest and lowest prices for the month, and the closing quotations for September and October:

	Closing Sept. 30.	Highest for Oct.	Lowest for Oct.	Closing Oct. 31.
B. C. R. & North'n.	56	70	55	65
Canada Southern	69¾	77⅝	68¾	73⅛
C., C., C. & Ind	67¼	71	56	69
C., C. & Ind. Cen	11¾	20	11¾	13⅜
Chic. B. & Quincy	114⅝	124	113⅞	119¾
Chic., & Alton	97	100	94½	99½
Chic., R. Island	141½	148½	138½	147
Del. Lack. & West'n	67¼	90	67⅝	88¾
Del. & Hud., Canal Co	59¼	81¾	59½	79
Erie Railway	32⅞	43½	32¼	40½
Erie Railway pref	58	67½	56½	65
Hannibal & St. Jo	24¾	37½	24⅜	36¾
Han. & St. Jo. pref	53¼	61⅝	53	60¾
Harlem	156	165	155	164
Illinois Central	92	98¾	92	98
Kansas Pacific	70	85¼	70	84¾
Louisville & Nash	62⅛	76½	62⅛	76½
Lake Shore	94⅞	101¾	92⅝	101
Michigan Central	89½	95¼	87	93½
Mil. & St. Paul	67⅞	75⅛	67⅜	74⅛
Mil. & St. Paul pref	98	99½	97½	98¼
Mo., Kan. & Tex	20¼	30½	19	28½
Morris & Essex	93½	102¼	93½	100¾
New Jersey Cen	60½	80¼	60	77¾
N. Y. Elevated	121	136	120½	131
N. Y. & N. Haven	163	165	161	162
N. Y. Cent. & Hud	119	133	119	130
Northwestern	83⅜	90⅛	82⅛	90
Northwestern pref	100¼	104¼	99⅞	104¼
Ohio & Mississippi	19⅞	24⅞	19	23¾
Ohio & Miss. pref	52¾	54¾	49½	53½
Panama	170	182	166	180
Pittsburgh	104	104¾	103	104
St. L., Kan. C. & N	24¾	46	24	44½
St. L. Kan. C. & N. p'd	59⅞	71¼	58¼	69½
St. L. & S. Francisco	19½	29	18½	27
San Francisco pref	21½	33½	21⅛	33½
San Francisco 1st p'd	47	56	45½	54
St. L. I. M. & South	44	52¼	42½	49¼
Union Pacific	84½	95	84⅝	91½
Wabash	43½	60⅝	43	59½

Western Union Tel	94⅝	106¾	92¼	105¼
Atlantic & Pac. Tel	36	43⅛	35	41⅞
Am. Dist. Tel	67	73¼	65	71
Pacific Mail	28⅝	38¾	29⅛	38¾
Adams Express	103	107	102⅝	105⅛
American Express	51	65	51	57⅝
U. S. Express	45	60⅛	45	54
Wells-Fargo Ex	99⅛	106	99⅞	103⅛
Canton	51	59⅛	48	56¾
Quicksilver	14	20¾	13⅛	18
Quicksilver pref	51	59	49⅛	53¼

The following tables taken from the "American Exchange" give the number of shares of stock and the amount of Government, State and railroad bonds dealt in at the New York Stock Exchange for each month from January 1 to November 1 of the current year, except railroad bonds, which are given only since February 1, the average daily sales for each month, and the total average for the past nine months, as officially reported:

RAILROAD AND OTHER STOCK.

Month.	Business days.	Amount of shares.	Daily average.
January	26	6,615,648	254,448
February	23	4,729,691	205,639
March	26	3,945,117	151,735
April	25	4,566,083	182,643
May	26	5,546,808	213,339
June	25	3,288,592	131,544
July	25	3,656,367	146,255
August	26	5,398,268	207,626
September	26	7,136,020	274,462
October	27	11,526,009	426,889
Total	255	56,408,603	221,210

GOVERNMENT BONDS.

Month.	Days.	Amount.	Daily average.
January	26	$9,026,600	$347,177
February	23	6,727,050	292,480
March	26	4,845,150	186,352
April	25	15,822,850	632,914
May	26	11,371,300	437,358
June	25	9,223,300	368,932
July	25	13,216,200	528,648
August	26	12,634,400	485,939
September	26	6,918,500	266,096
October	27	8,300,500	307,426
Total	255	$98,085,850	$384,647

STATE BONDS (INCLUDING DISTRICT OF COLUMBIA 3-65s).

Month.	Business days.	Amount.	Daily average.
January	26	$1,977,650	$76,063
February	23	2,546,500	110,711
March	26	2,382,000	91,615
April	25	1,849,500	73,980
May	26	3,858,200	148,392
June	25	2,934,500	117,380
July	25	1,682,300	67,292
August	26	967,500	37,211
September	26	641,500	24,634
October	27	1,976,500	73,204
Total	255	$20,816,150	$81,632

CITY BANK STOCKS.

Month.	Business days.	No. of shares.	Daily average.
January	26	1,892	73
February	23	1,718	75
March	26	1,657	64
April	25	1,191	48
May	26	1,216	47
June	25	1,176	47
July	25	1,150	46
August	26	876	34
September	26	903	35
October	27	2,132	79
Total	255	13,911	54

RAILROAD AND OTHER BONDS (FROM FEBUARY 1).

Month.	Business days.	Amount.	Daily average.
February	23	$21,831,500	$949,196
March	26	19,476,750	749,106
April	25	39,997,000	1,599,880
May	26	42,927,500	1,651,058
June	25	31,053,000	1,250,120
July	25	16,887,700	675,508
August	26	31,011,500	1,192,750
September	26	33,386,450	1,284,094
October	27	60,471,500	2,239,685
Total	229	297,242,900	1,298,004

[From our general Southern Correspondent.]

AUGUSTA, GA., November 1st, 1879.

The South—Financial Epitome.—Since our last report the Georgia Legislature has closed its session, and as we apprehended, the impeachment cases ended largely in political pettifogging, for while one officer was disgraced, the offences of another were compromised, while others still were ignored.

Again, while certain necessary and responsible officials (among them the State Treasurer, giving bond in the sum of $200,000, receiving salary of $2,000 per annum) get compensations contemptibly small in a great commonwealth, a railroad commission, entirely unnecessary and arbitrary, was established at an outlay of seventy-five hundred dollars a year.

The Georgia Solons invaded the domain of finance, and retaining the legal rate of interest at 7 per cent., restricted the rate by contract at 8 per cent., and made any charge in excess of 8 per cent. usury, entailing a forfeiture of all interest and excess of interest involved in the transaction. The law is drawn very strongly, to prevent evasions, and country editors seem to think the golden era has arrived when money will flow into their control at their own rates, when in reality, as far as legislation could avail, the vaults are locked against the weaker class of borrowers.

Georgia, as is known, is a State of vast natural resources, seeking and undergoing development, so that not only could our own capital be advantageously absorbed, but money was being drawn here through the banks from other sections, to move our crops and advance our industries and manufacturing interests. As we have stated in reports, money could be handled advantageously here at 10 per cent. interest, but as the legislators have declared that the people cannot pay what it is worth, the markets will, it is feared, cease in great measure to attract it here, and many applicants must go without it, unless, as results largely prove, debtors and creditors unite in ignoring an arbitrary statute.

One feature of improvement over the South is from the people studying the development of means and letting politics alone, and as planters are gradually freeing themselves from old encumbrances and factors, and the present crop is bringing paying prices, this section is settling down upon a firm and progressive basis.

Merchants are doing a quiet but healthy and increasing business, but our statement that trade is drifting away from old centres and diffusing itself, becomes more and more manifest. Charleston, the old mistress of the Southern coast, recently advertised thirteen hundred pieces of property for sale for back taxes, while the other old representative city of New Orleans assesses its tax returns at twenty million dollars less than last year.

As an instance of the improvement felt from the advance of cotton prices, it is said that this city derives one hundred thousand dollars more each week from sales than at the same period last year.

Manufactories are all running at their full capacity, and the active demand for their goods is leading to the erection of new mills.

The iron interests are looking up wherever the ore can be produced with facilities for transportation, and numbers of closed furnaces are being put into operation.

Securities are in active demand, and there is a manifest determination to reach the true status of all obligations through the courts.

Although it is unlawful, we must quote money in fair demand at ten per cent., with exchange quoting at ⅜ to 5-16 premium on New York.

STOCKS AND BONDS—PRICES IN NEW YORK AND OTHER CITIES.

The following tables give the latest bid and asked prices at the New York Stock Exchange; also Southern securities, a full list of general stocks not called at the Exchange, and correct quotations from other cities.

Quotations in New York are to Thursday, Oct. 30; latest mail advices from other cities.

The prices named represent the percentage upon a par basis.

*** Indicates ex-interest. § With interest added. x Dividend.**

SECURITIES.	Bid.	Askd
STATE STOCK.		
Alabama 5s, 1883	50	
do 5s, 1886	50	
do 8s, 1886	50	
do 8s, 1888	50	
do 8s M & Eufala R R	3	
do 8s Ala & Chat R R	20	
do 8s of 1892	30	
do 8s of 1893	30	
do consols class A	48⅜	50
do do do B	78	
do do do C	55	
Arkansas 6s funded	10	
do 7s L Rk & Ft S iss	7½	
do 7s Memp & L R	7	
do 7s L Rk P B & N O	6¼	10
do 7s Miss O & R Riv	6	
do 7s Ark Cent R R	6	
Connecticut 6s	107	
Georgia 6s	100½	
do 7s new bonds	110	111
do 7s endorsed	109	
do 7s gold bonds	110½	112
Illinois coupon 6s, 1879		
do war loan		
Kentucky 6s	100	
Louisiana 6s	20	
do new bonds	20	
do 6s new floating debt	20	
do 7s penitentiary	20	
do 5s levee bonds	20	
do 8s do	20	
do 8s do of 1875	20	
do 8s do of 1910		15
do 7s Consolidated	43½	43¾
do 7s Small Bonds		43
Michigan 6s 1878-1879		
do 6s, 1883		
do 7s, 1890		
Missouri 6s due in 1883	102	
do do in 1886		105
do do 1887		106
do do 1888	105½	
do do in 1889 or 1890		
Asyl or Univs'y due 1892		
Fund'g bds due in 1894-5		
Han & St. Jos. due 1886	104	
do do 1887	104¼	
New York 6s gold reg'd, 1887	108	
do 6s do coup., 1887	108	
do 6s do loan, 1883	106	
do 6s do do 1891	117	
do 6s do do 1892	117	
do 6s do do 1893	117	
N Carolina 6s old Jan & July	25½	26
do Apr & Oct	25½	26
do N. C. R., Jan & July	108	
do do Apr & Oct	108	
do do cp off Jan & July	89	
do do cp off Apr & Oct		
do funding act, 1866	9	10
do do 1868	9	
do new bonds Jan & July	15	

SECURITIES.	Bid.	Askd
N. C. new bonds, April & Oct	15	
do special tax, class 1	5	
do do class 2	4¼	
do do class 3	4½	5¼
Ohio 6s, 1881	104	
do 1886		
Rhode Island 6s	114	
South Carolina 6s	60	
do Jan & July	30	
do April & Oct		
do funding act 1866	30	
do land C 1889 Jan & J	50	
do land C 1889 Apr & O	50	
do 7s of 1888	10	
Non-fundable bonds	4	4½
Tennessee 6s, old	38	40
do 6s, new		32⅞
do new series	32	
Virginia 6s, old	27	
do 6s, new bonds, 1866	28	
do 6s, do 1867	28	
do 6s, consol. bonds	86	
do 6s, ex-mat'd coup	64¼	66
do 6s, do 2d series	33	
do 6s, defer'd do	7¼	7¾
Dist. of Col. 3-65's 1924	84½	85
do Small Bonds		
do Registered		85
CITY AND COUNTY.		
Brooklyn 6s		
do 6s, water loan		
do 6s, imp'm't stock		
do 7s, do		
do 6s, pub, p'k loan		
do 7s. do do		
Jersey City 6s, water loan		
do 7s, do		
do 7s, improvement		
Kings county 6s		
New York City 6s, 20-50's, 1876		
do do 6s, 1877		
do do 6s, 1878		
do do 6s, 1887		
do do G'd 6s, Con. 1902		
do do 6s, 1896		
do do 6s Dock b'ds		
do do 6s co. b'ds		
do do 6s Cen. Park		
do 5s, 1890		
do 5s, 1898		
RAILROAD BONDS.		
Boston, H. & E. 1st m	45½	45⅝
Boston, H. & E. 1st m guar	41½	43½
B., Cedar Rap. & N. 1s 5s g	89⅛	89½
Chesapeake & Ohio 6s 1st mtg	101¼	
do do ex-coupon		
Chicago & Alton 1st mortgage		
do income		
Joliet & Chicago 1st mortgage		
La. & Mo., 1st guaranteed		110
St. L Jacksonville & Chic 1st		
Chic. Bur. & Qu. 8 per ct. 1st m		

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd	SECURITIES.	Bid	Askd
Chic. Bur. & Qu. cons......M 7s	......	121	RAILROAD BONDS.		
do do 5s Sinking Fund	......	......	M. So & N. I. Sink. fd 7 p c.....	111	......
Chic. R. I. & Pacific 1st M 7s...			Cleve. & Tol. sink. fd	110½	111
do 6s 1917, coupon...	114½	114¾	Cleve. & Tol. new bonds........	109	......
do 6s 1917, registered	114	114½	Cleve. Painesv & A old bonds..	102	102½
Keokuk & Des Moin. 1st 5s.....	92½	93½	do do new do....	......	......
Central R R of New Jersey....			Buff. & Erie, new bonds...	114	115
Cen. R of N. J. 1st m. new..	114½	......	Buff. and State Line 7s.........	......	......
do 1st consolidated	......	......	Kala. & W. Pigeon 1st m........	......	......
do convertible	......	......	Det. Mon & Tol 1st 7s 1906......	112	......
L. & W. B'e. con. guaranteed	......	......	Lake Shore div. bonds.........	......	......
Am' Dock & Imp. bonds	101¼	101½	do con c'p 1st bds.....	119½	......
Chic. Mil. & St. Paul R. R	......	......	do con reg 1st bds.....	117	118
M. & St. P. 1st mtg 8s P. D...	124½	......	do con coup 2d m......	115½	116
do 2d 7 3-10 P. D.....	110	113	do con re'gd 2d m.....	113	......
do 1st 7s $ gold R. D	112	113	Marietta & Cin. 1st m..	103	......
do 1st 7s £ do	.....	......	Mich. Cent. consol. 7s 1902......	......	......
do 1st M. LaC. D.....	111	......	do 1st m. 8s '82 s f	107	......
do 1st M. I. & M. D..	110½	....	do equipment bds.....	......	......
do 1st M. I. & D......	......	......	New Jersey So. 1st m. 7s........	......	......
do 1st M. H. & D.....	105	......	do consol 7s.......	......	......
do 1st M. C. & M.....	112	113	N. Y. Cent. 6s, 1883.............	107½	108
do consolidated s f..	109	109½	do do 6s, 1887.............	......	......
do 2d mortgage.....	100	......	do do 6s, real estate......	......	......
Chic. & N. W. sinking fund....	109	......	do do 6s, subscription...	......	......
do do int. bonds.......	107½	109	do do & Hud 1st m c.....	125	......
do do cons. bonds.....	118¼	......	do do do 1st m reg....	....	124½
do do exten. bonds...	103	......	Hud. Riv. 7s 2d m s f 1885.....	112	......
do do 1st mortgage...	108	109	Harlem 1st m 7s coupon......	125	......
do do coup gd bonds..	114	114⅝	do do reg'd.........	......	......
do do reg'd do	113	113¾	North Missouri, 1st mort.	......	......
Iowa Midland 1st m. 8s......	......	......	Ohio & Miss cons s f............	112	......
Galena & Chicago extension.	104¾	......	do consolidated.......	......	111⅞
Peninsula 1st m. conv........	......	......	do 2d do...........	111	111½
Chicago & Mil. 1st m..........	114	116	do 1st Springfield div.	60	63
Winona & St. P. 1st mort.....	.....	109	Pacific R R bonds..............	......	......
do do 2d mort.....	111	......	Cent Pacific gold bonds......	110½	111
C. C. C. & Ind's 1s m. 7s s. f.....	117½	......	do San Joaquin branch....	99⅞	......
do consol, M. bonds.	111	......	do Cal & Oregon 1st........	101½	......
Del., Lack. & W. 2d m..........	103¾	104¼	do State aid bonds	......	......
do do 7s conv.......	107	......	do land grant bonds........	101½	......
Morris & Essex 1st mor.......	124	......	Western Pacific bonds........	......	......
do 2d do	114	... ..	Union Pacific 1st m bds.......	110	110½
do bonds, 1900...	......	......	do land grants. 7s...	112½	112½
do constr'n	98	......	do sinking fund.....	113⅞	114¼
do 7s of 1871.....	109½	110	Pacific R of Mo. 1st m..........	104	104½
do 1s con. gd....	105	106	do 2d m..............	106	.....
Del. & Hud. Can. 1s m. 1884....	103	105	do Income 7s........	......	......
do do 1891....	107½	......	do 1st Carnod't B....	......	......
do Coup. 7s 1894...	105	107½	Pennsylvania R R		
do Regis'd 7s 1894 ...	106½	......	Pitts, Ft W & C 1st m	......	128
Albany & Susq. 1st m'ge.......	112	113½	do do 2d m..........	......	......
do do 2d do........	......	......	do do 3d m..........	......	......
do do 3d do.......	......	......	Cleve & Pitts con s f....	116	119
do do 1st c gua'd....	103¼	106	do 4th do..........	106¾	110
Rens'r & Sara. 1st Coup......	......	......	Col. Chic & Ind 1st m.........	78⅝	80
do do 1st reg'd	......	......	do do 2d m.........	37⅜	......
Erie 1st mort. extended.	122	......	Rome, Water'n & Og con 1.....	65	67
do 1st do endorsed........	......	......	St. L. & Iron M 1st m...........	112	......
do 2d do 7s, 1879...........	......	......	do do 2d m..........	98½	100
do 3d do 7s, 1883........ ...	105½	106	St. L. Alton & Terre Haute....		
do 4th do 7s, 1880...........	......	......	Alton & Terre Haute 1st m..	112	115
do 5th do 7s, 1888...........	110½	112½	do 2d do pref....	95	96
do 7's cons. m'ge gd bds.....	113¼	113½	do 2d do inc.....	73	73
Long Dock Bonds............	115	......	Bell & S. Ill R. 1st m 8s........	105	......
B., N. Y., & E. 1st m 1916.....	117½	118	Tol, Peo & War, 1st E D.........	116	......
Han. & St. J. 8s convertible m.	106¼	106½	do do do W D........	116	......
Illinois Central,	......	......	do do do Burl div.....	... ..	......
Dub. & Sioux City 1st m......	......	......	do do do 2d m........	......	......
do do 2d div....	......	......	do do do consol 7s....	.....	......
Cedar Falls & Minn. 1st m....	103	......	Toledo, Wabash & Western....		
Indp's Bloomn & W'n 1st m...	. ..	.. ..	Tol & Wab 1st m ex...........	......	......
do do 2d m...	......	......	do Ex coupon...	108	......
Lake Shore Bonds	......	......	do 1st m St L div.......	......	......
			do Ex mat'd coup. ..	99¾	100½

STOCK AND BOND QUOTATIONS.

Securities.	Bid	Askd
Tol & Wab 2d m		
do Ex & Nov 77 coup.	98¾	99¾
do equipment bonds		40
do cons conv'ble		
do Ex Aug 78 & priv's.	94	95
Gt West'n 1st m 1888		
do Ex coupon	106½	
do 2d m 1893		
do Ex & Nov 77 coup.	98⅝	98¾
Quincy & Tol 1st m, 1890		
do Ex M & Nov 77 c p.	96	100
Illinois & S Iowa 1st m		
do Ex coupon	95	98
Han & Cent Mo 1st m.		
Pekin, Lnc'n & Decat'r 1st m.		
West'n Un bds, 1900, c'pon	116	
do do do reg	113½	
MISCELLANEOUS LIST.		
Arkansas Levee 7s	3	6
Atchison & P Pk 6s gold		
Atchison, Top & S Fe 7s, g	112¾	113½
Cairo & Fulton 1st 7s	102½	103
California & Oregon 6s g'd	100	100½
California Pac R R 7s gold	105	110
do 6s 2d m gold	95	100
Central Pac 7s gold, conv	105½	108
do land grant	102	105
Cent of Iowa 1st M 7s gold	97	100
Chi & Southwestern R R 8s	110	115
Chi & Eastern Ill. 1st 6s	90	92
do do income 7s	55	60
Chi & Mich Lake Shore 8s		
Chi & Can South 1st m'g 7s	55	60
Chi, St. P. & Min 1st M 6s	103	103¾
do land grant 6s	92	93
Cin, Rich & F W 1 m g 7s	70	80
Cleve, Mt V & Del 7s gold		
Connecticut Valley 7s gold	50	70
Connecticut Western 1st 7s		
Col & Hock Val 1st 7s 30 ys	105	108
Dan, Urb, Bl & P 1st m 7s g		
Denver Pacific 7 gold	88	89
Denv and Rio Grande 7s g	97¼	97½
Det, Hillsdale & Ind R R 8s		
Dixon, Peoria & Han 8s		
Erie & Pittsburg 1st 7s	100	102½
Evans & Crawfordsville 7s	100	105
Evans, Hend. & Nashville 7s		
Evansville, T & H Chic 7s g	50	70
Flint & Pere M 7s land grant	100	105
do 7s consol	46	50
Fort W, Jackson & Sag 8s		
Grand River Valley 8s	105	110
G'd Rapids & Ind 1 guar 7 g	106	109
G'd Rapids & Ind 1st 7s g	90	93
Houst, & Gt N. 1st m g 7s	92	93
Houst. & Tex. C. 1st M L	107	109
do 1st W D	105	107
do Con. 8s	110	112
Ill Grand Trunk 8s	113	115
Ind, Bl & W Ext 1st m g 7s	18	25
Indianapolis & Mad. 1st m 7s	100	103
Int'national R R Tex 1 m g 7s	92	94
Ind. Bl. & W., 1st 7s, pref	105	110
do 1st	67	70
do 2ds	50	55
do Income	30	35
do stock	20	25
Indianapolis & Vinc's 1st 7s gr.	102	104
Indianapolis & St. Louis 7s	75	85
Io Falls & Sioux City 1st 7s	104	107
Jack. Lansing & Sag. 1st m		
Jeff'ville, Mad & Ind 1st m 7s	111	115
Kala'zoo & South H 8s guar		

Securities.	Bid	Askd
Kal, Alleghan & G R 8s gr	102	105
Kal & White Pigeon 7s	100	105
Kansas City & Cameron 10s	112	116
Kan Pac 7s ex Ma & No g	108	108½
do 7s land gr Ja & Jy g	121	123
Kan Pac 7s do 2d m	100	101
do 6s gold June & Dec	113½	114
do 6s do Feb & Aug	116	117¾
do 7s Leaven Branch	95	100
do Income No 11	74	79
do do No 16	73	76
do stock	84	85
Michigan Air Line 8s		
Mil & North 1st m 8s	60	70
Mo. Kan & Tex assent'd bds	88½	89
do 2d inc	42½	43
N. J. Midland 1st 7s gold	59	61
N. Y. & Osw Mid 1st 7s gold	27	28
North Pac 1st m g 7 3-10s		
Omaha & S West'n R R 8s	113	115
Oregon & Cal 7s gold	28	30
Oswego & Rome 7s guar	100	110
Ott, Oswego & Fox R V 8s		
Pitts, Cin & St Louis 1st 7s	108¼	108½
Pt Huron & L M 7s g end	20	40
Quincy & Warsaw 8s		
Rome, W & Ogdensburg 7s	65	67
Sand, Mans & Newark 7s	100	105
Sioux City & Pacific 6s		
South Side (L I) 7s	90	100
Southern Central N Y 7s	60	80
Steubenville & Indiana 6s	103	105
Southern Minn construc 8s	107	110
St. Jo & C Bl 1st m 10s		
St. Louis, Vanda & T H 1st	110	115
do do 2d	95	100
St L & S Eastern 1st 7s gold	70	75
Union Pacific So br 6s gold	93	96
Union & Logansport 7s	90	95
Texas & Pacific L G 7s	54¼	54⅜
CINCINNATI.		
STATE, CO. AND CITY BONDS.		
Ohio State 6s	111	112
Hamilton County 6s	100	
do do 7s	101	105
City of Cincinnati 6s	104½	
do do 7s	110	
do do 7 3-10	114	115
City of Covington, Ky 6s '81	102	
do do 7 3-10, '81	102	104
RAILROAD BONDS.		
L Miami & I & C con 6s	80	
do do 1st 6s '83	102	
Cin, Ham & Day 1 m 7s '80	100½	
do do 2 m 7s '85	102	105
do do 3 m 8s		
Dayton & Mich, 1 m 7s '81	102½	104
Dayton and Mich, 2 m 7s '84	101	101½
do do 3 m 7s '88	93	95
Cin, Rich & Chi, 1 m 7s '95	92	
Cin, Han & Ind 1st m gr 7s	82½	
Marietta & Cin 1st m 7s '91	87	90
do do 2d m 7s '96	30	33
Indianap & Cin 1st m 7s '88	102	
Cin & In guar 1st m 7s '92	102½	105
do 2d m 7s '77 '82	75	75
Indianap C & L 1st m 7s '97	65	
Day & W 1 m, 1881	100	
do 2 m, 1905	87	90
MISCELLANEOUS STOCKS.		
Columbus & Xenia 50	118	
Cin, Ham & Dayton 100	50	51
Dayton & Mich 3½ guar 50	45	
Little Miami 50	112	

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd
Marietta & Cin 1st pref.......50	......	5
do do 2d do........50		3
Cin Gas Light & Coke Co....100	165	166
SOUTHERN SECURITIES.		
CITIES.		
Atlanta, Ga 7s..................	100	103
do 8s..................	106	110
Augusta, Ga 7s bonds..........	102	105
Charleston stock, 6s..............	58	61
Charleston, S. C. 7s F L bonds..	80	90
Columbia, S. C. 6s..............	55	70
Columbia, Ga. 7s bonds........	70	80
Lynchburg 6s..................	100	103
Macon 7s bonds................	70	80
Memphis bonds 6s..............	15	25
do new consols..........	20	35
do end, M & C R R......	15	......
Mobile 5s......................	15	20
do 8s......................	15	20
Montgomery 8s................	22	27
Nashville 6s old	80	90
do 6s new................	85	91
New Orleans 5s................	26	28
do consol, 6s..........	30	33
do bonds, 7s............	27	31
do to railroads 6s........	27	31
Norfolk 6s....................	98	......
Petersburg 6s..................	100	102
Richmond 6s..................	106	110
Savannah 5s..................	70	74
RAILROADS.		
Atlantic & Gul, consol.........	100	102
Central Georgia cons, 7s......	109½	111
do do stock..........	71	74
Charlotte Col & A, 1 m 7s......	95½	96
do do stock........	20	25
E Tenn & Georgia 6s..........	90	100
East Tenn, Va & Geo 1st m 7s..	100	102
do do stock..........	45	50
Georgia R R 7s................	107	110
do stock................	80	85
Greenville & Col 7s guar.......	55	60
do do 7s certiff.......	50	55
Macon & Western Stock.......	98	101
Macon & Augusta bonds.......	85	90
do do endorsed....	95	100
Memphis & Charleston 1st 7s...	95	100
do do 2d 7s.....	75	85
do do stock....	10	12
Mississippi Central 1st m 7s....	101	104
do do 2d m 8s.....	100	104
Mississippi & Tenn 1 m.........	110	113
do do cons, 8s....	90	......
Motg'y and West P, 1st 8s....	107	108
do do 1st end.......	......	......
Mobile and Ohio Sterling........	80	......
do do do ex ctfs......	80	......
do do 8s interest...	27	35
N Orleans and Jackson 1st m..	110	112
do do 2d m..........	105	110
Nash and Chattanooga 6s......	100	102
Norfolk and Petersb 1st m 8s...	106	108
do do 2d do..	102	104
Northeastern, S C, 1st m 7s.....	105	110
do do 2d do.....	84	90
Orange and Alex 1st 6s.........	99	102
do do 2d 6s.........	84	90
do do 3d 8s.........	83	90
do do 4th 8s.........	......	......
Rich and Peters'b 1st m 7s.....	......	......
do do 2d m 6s......	......	......
do do 3d m 8s......	102½	105
Rich and Fred'b and Pot 6s....	97	100
do do do con 7s.	97	102

SECURITIES.	Bid	Askd
Rich and Danv 1st con 6.......	95	98
do Piedmont 8s......	103	......
do 1st 8s..........	......	90
Southside Va 1st m 8s	109	111
do 2d m guar 6s......	90	100
do 3d m 6s..........	80	90
do 4th m 8s..........	......	......
Southwest R R, Ga 1st m.......	104	106
do do stock.......	99	102
S. Caro R R, 1st m 7s, new	97	100
S. Caro R R 6s..................	......	......
do 7s 2d	52	60
Virginia and Tenn 2d 6s.......	100	103
do do 3d 8s........	110	......
West Ala, 8s guar..............	108	110
Wilmington and Weldon 7s......	100	103
PAST DUE COUPONS.		
Tennessee State coupons......	10	20
Virginia consol coupons.......	81	83
Memphis city coupons........	20	......
South Carolina consols.........	......	......
BOSTON.		
STATE BONDS.		
Maine 6s 1889.................	......	......
N. Hampshire 6s 1876-84.......	......	......
Vermont 6s, 1874-78............	......	......
Massachusetts 5s, 1883, g........	......	......
CITY BONDS.		
Boston 5s, 1880-86, gold.........	......	......
do 6s, currency..........	......	......
Chic 7s, 1890-95, riv. impr.......	......	114
do 1884.....................	......	......
RAILROAD STOCKS AND BONDS.		
A T and Santa Fe, 1st m 7s.....	112⅝	113
do do L G.......	113⅛	......
do do stock......	105¾	106
Bost and Alb'y 6s, '75 (W RR)..	......	111½
do 7s, 1892	121	121½
do stock..............	139	139¾
Boston and Lowell 7s, 1892.....	114	117
do stock (par 500)......	79	80
Boston and Maine, stock	118	120
Boston and Providence, stock.	......	128
Bur & Mo R 7s, '93, land grant.	116	117
do do 8s, 94, conv.......	106¾	107
do do 8s, 83 (in Neb) ...	100¾	101
Chicago, Bur and Quincy......	121¼	121⅛
Bur & Mo Riv stock (in Neb).	126½	......
Cheshire 6s, 1898..............	......	105
do preferred stock.......	......	46
Cin, San, and Cleve, 7s, 1890....	75½	......
do do com stk (par 50)..	16¼	16⅝
Concord stock (par 50)..........	80½	......
Conn and Pass Rivs 6s, 1876....	......	......
do do 7s, '76, notes...	......	......
do do pref. stock........	49¾	50
Connecticut River, stock	142½	143
Eastern stock..................	22½	22¾
Fitchburg, stock	......	......
Manch and Lawrence stock...	......	......
Nashua and Lowell, stock......	106	110
Northern (N. H.) stock.........	......	......
Norwich and Worcester stock.	124⅛	......
Ogdenburg and L Champ stock	18⅝	19
do do pref stock....	64	65
Old Colony stock..............	......	109⅛
Phil, Wil & Balt stock (par 50).	64¾	69
Portl, Saco & Portsmouth st'k	100½	......
Portsmouth, Gt F & Con'y s...	......	......
Rutland pref. stock............	28⅝	28¾
Vermont and Canada stock....	......	12
Vt. Ct. 1st m 7s, 1886 cons......	......	......
do do 8s, '91............	......	......

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd
Vermont and Mass.	......	......
do do stock....	112	......
Worcester and Nashua.........	49½	50
MISCELLANEOUS STOCKS.		
Boston Land Co	8⅞	9
Boston Water Power...........	11⅝	11¾
Pullman Palace Car	99½	100
PHILADELPHIA.		
STATE AND CITY BONDS.		
Penn. 5s, new, reg, '92 1902. ...	112	112⅜
do 6s, 10-15, reg, '77 1882.....	101¼	102
do 6s, 15-25, reg, '82 1892.....	107½	109
Philadelphia 6s, old..	104	......
do 6s, new, over 1895..	120	121
Pittsburg 5s, reg, 1913..........	......	......
do 7s, water loan.... ...	112½	......
do 7s, street improv.....	102	......
RAILROAD BONDS.		
Allegheny V R R 7 3-10, '96.....	115	......
Bel & Del R R, 1st m 6s, 1902....	109	......
do 2d do '85.....	106	......
do 3d do '87.....	103	......
Cam & Amboy R R 6s, 1883.....	105	......
do do do 6s, 1889.....	105	......
do do do m 6s, 1889...	......	115
Cam & A. T. 1st m 7s, gold, 1893.	116	......
do do 2d do cur, 1879.	102¾	103
Cataw R R new 7s, 1900.........	110	......
Connecting R R 6s. cp. 1900.....	108	112
Del & B B R 1st m. 7s, 1905......	113	113½
El. & Wmsp't R R, 1 m, 7s, '80..	109	111
do do 5s c. perpe'l	83	90
H. & B. T. 2d m 7s, gld 1895.....	111	113
do 3d do cur. 1895...	......	......
Lehigh Valley, 1st m, 6s, c, '98..	115½	......
do do reg '98....	116	......
do 2d m, 7s, reg 1910.....	122	......
do cons. m, 6s reg, 1923.....	109	109¾
do do 6s, coup. 1923.....	108¾	......
N Cent. 2d gd. m. 5s, cp'n 1926..	75	76
North Penn, 1st m 6s, c. 1885...	109½	111
do 2d m 7s, c. 1896...	119	......
do gen. m 7s, c. 1906...	111½	......
do do reg., 1906..	111½	......
Oil Creek 1st m 7s, coup '82.....	85	88
Pittsb'h Titus & Buff 7s, c, 1896.	33	......
P & N Y C. & H. R. 7s, r&c 1896.	118¾	120
Penna. 1st mort 6s, c, 1880......	104¼	106
do gen do 6s, c, 1910.. ...	115½	116¼
do do do 6s reg 1910....	......	111
do cons m, 6s reg. 1905....	......	111
Phila & Erie 1st mort 6s c 1881.	103	103½
do 2d mort 7s, c 1888.	110	111
Phila & Reading 1st m 6s, 1880..	103	103¼
do 2d m 7s, c 1893..	113	115½
do cons m 7s c 1911..	......	111⅝
do do m 7s r 1911..	111	112
do do 6s, g r & c 1911..	101½	102
Pitts, Cinn. & St. L 7s c 1900....	108¼	......
Tex & Pac 1st m, 6s, g 1905......	......	99¾
do cons m, 6s, g 1905......	80	......
Un & Titus 1st m, 7s, 1890.......	50	53
War. & F. 1st mort. 7s, c 1896..	88	......
West Jersey 6s, d coup 1883....	101	105
West Jersey 1st mort 6s, c 1896.	108	......
do do 7s, r & c '99..	110	......

SECURITIES.	Bid.	Askd
West Penn 6s, coup, 1893.......	102	103
do 6s. p b c, 1896.......	......	......
CANAL BONDS.		
Lehigh Nav. m 6s, r 1884........	107	108
do M.R. R. r, 1897	109	109½
do M conv g. r. 1894	102	......
do M. gold, r. c, 1897	103½	105¼
do cons m 7s r, 1911	100	100
Schuyl. Nav. 1st m 6s, reg 1897..	98	......
do 2d do r. 1907..	74	75
do m 6s, coup. 1895..	50	......
do 6s, bt&car r 1913..	63	......
do 7s, bt&car r 1915..	72	......
RAILROAD STOCK.		
Camden & Atlantic pref.... 50	......	44
Catawissa.................. 50	13	......
do pref..... 50	48	50
do new pref..... 50	......	48
Elmira & Williamsport... .. 50	30½	......
do do pref.. 50	48	......
Lehigh Valley.............. 50	49½	49¾
Liltle Schuylkill........ 50	49	49½
Minehill........................	55	......
Nesquehoning Valley..........	......	56
Norristown....... 50	......	101½
Northern Pacific...............	36½	36⅝
do pref.........	60½	60⅞
North Pennsylvania........ 50	49	......
Pennsylvania 50	48½	48½
Philadelphia & Reading..... 50	30	30½
Pitts. Titus. & Buffalo..........	6⅝	6⅞
St. Paul & Duluth...	26	......
do pref........	57	58
United Cos. of N. J..........100	......	149½
CANAL STOCKS.		
Lehigh Navigation.......... 50	35⅝	35⅞
Morris Canal grd 4 p c.......100	53	60
do preferred 10 p c.....100	135	......
Schuylkill Navigation..........	......	......
do do pref.....	......	......
BALTIMORE.		
Maryland 6s, defence, J. & J...	108	109
Virginia 10-40s, J. & J..........	53¾	54
do deferred, J. & J....	6½	7
do consol. do.......	65⅜	65¾
do do 2ds do.......	30	31½
do consol coup, p due......	83½	83¾
N. Carolina 6s, Jan. & J., old...	24	26¼
Tennessee 6s, do old..	35	42
do 6s, do new..	30	34
do 6s, do n. s..	30	34
Balt. 6s, J., A., J., O., 1890... ..	113⅞	114¼
do 6s, J. & J., 1902...........	116	......
do 5s, M. & N., ex., 1916	108¼	108¾
Memphis City 6s, J. & J., n.....	......	......
Balt. & Ohio, May & N.......100	155	156
do 1st preferred	111	112
do 2d do	105	107
Northern Central, M. & N....50	25½	25¾
Central Ohio, June & Dec ...50	37	40
do preferred....50	48	50
City Passenger R'y, J. & J...25	39	40

STOCK AND BOND QUOTATIONS.

Securities.	Bid.	Askd
Balt. & Ohio 6s, 1880, J. & J.....	101½	102
do 1885 A. & O....	106½	107
Pitts. & C. 1st 7s, 1898, J. & J....	111¾	112½
N. Cent. 6s, 1885, J. & J.........	108	109
do 6s, 1900,, A. & O... ...	108	109
do 6s, gold, 1900, J. & J..	105½	106½
Cen. O. 6s, 1st m., 1890, M. & S..	106¾	107¼
South Side, 1st 8s, J & J........	108	110
do 2d 6s, do	90	95
do 3d 6s, do	87	92
Cin. & Baltimore 1st 7s..	100	105
W. M. 1st m 6s gu. 1890, J. & J..	115	116
do 1890, J. & J..	104	......
W. Maryland 2d m (pref).......	83	90
W. M. 2d m. 6s gu. by W. Co....	108	110
M. & Cin. 1st m 7s F and A 1892	102⅛	102½
do 2d m 7s M. and N....	71½	72
M. & Cin. 3d m 8s 1900 J. and J..	34⅞	35
Rich. & Dan. 1st m. M. and N...	96	......
Union R. R., End. Cant. Co.....	109	111
Canton Co., 1st 6, gold, J and J.	105	106
Orange, Alex. and Mn's 7s do..	67½	68
Orange & A. 1st 6s, M. and N...	96	100
do 2d 6s, J. and J.....	95	98
do 3d 8s, M. and N.. .	66	70
do 4th 8s, M. and S ...	32	33
Virginia & Tenn 6s 2d J. and J.	100	103
do 8s, J. and J..	114	116
W. & W. 7s gold 1900 J. and J..	108	112½
W. and Columbia and Aug. 7s.	40	45
Ohio & Miss, 2d 7s, A & O.......	111	112
Balt. Gas, J. and Dec........ 100	110	125
do gold certif.....100	103	105
People's Gas, J. and J....... 25	15¾	16
Consumer's Gas...............	4⅜	4½
do gold 6s, J & J, 1892...	98	100
Georges Creek Coal, J & J.....	95	105
Chesapeake and O. Canal bonds	35	50
Balt. Warehouse Co, J & J. ...	19	20
Cincinnati 7-30s, J. and J.......	......	......
Norfolk Water, 8s.............	117	......
LOUISVILLE.		
CITY AND CANAL BONDS.		
City improvement 6s...........	*101½	*102½
do bounty 6s....................	*101½	*102½
do school 6s............	*101½	*102½
do wharf (old) 6s..............	*101½	*102½
do do (new) 6s..............	*101½	*102½
do water works (old) 6s......	*101½	*102½
do do (new) 6s.....	*101½	*102½
do L. and N. R. R. (M. S.) 6s...	*101½	*102½
do L. and N. R. R. (L. E) 6s...	*102	*103
do E. and P. R. R. 7s (old).....	*104	*105
do E. and P. R. R. 7s (new)....	*106	107
do old liabilities due 1880......	*101	......
do St. Louis A. L. R. R.... ...	*102	*103
Canal bonds, 3d issue, 6s.......	*102	*103
do 4th issue, 6s......	*106	*107

Securities.	Bid	Askd
Louisville Bridge Co. 7s.........	*112	113
RAILROAD BONDS.		
Louis. and Nash. Leb. Br.......	*101	102
Louis. and Nash. Cons...........	*110	111
L. and N. 2d mort..............	*102	*103
Louis., Cin. and Lex. 1 m 7s....	*110	110½
do do 2 m 7s....	*99	99½
Jefferson. M. and I. 1st m 7s....	*112½	113½
do do 2d m 7s....	102	*103
Eliz. and Paduc. 1st m. 8s	......	......
E. and P. Louisville Br'ch 7s...	......	......
Shelby, 1st mortgage 8s........	101	102
Owensboro and Russel, 1 m 8s.	......	......
MISCELLANEOUS BONDS.		
Kentuc. State bonds (old) 6s...	§105	......
do do (new) 6s..	§105	......
New Albany City..............	*104	105
Water Works bonds, 6s..........	*106	......
Louisville Transfer Co. 8s......	*100	......
STOCKS.		
Louisville and Nashville R. R..	71	72
Gas Company stock.......... .	107	108
Louisville Bridge Co. stock....	109	110
ST. LOUIS.		
CITY AND COUNTY BONDS.		
City water (is. '67) 6s gold......	§106	107½
City water (is. '70) 6s gold.......	§106	107½
City water (is. '72) 6s gold......	§106	107½
City sewer (is. '73) 6s gold......	§106	......
City park 6s gold........	§106	......
City bdg approach 6s gold.....	§106	......
City 6s Currency..............	§104	......
County 6s, gold various........	§105½	......
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Kan. Pac. 1st m. F. and A......	116	118
do 1st m. J. and D	113	114½
do 1st m. (Lea. br.).....	87	90
do income No. 11.......	75	. ...
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do (Den. ext.) 1 m......	107	108
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Pacific of Missouri..............	7	......
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B

The influence which prompted Mr. W. H. Vanderbilt to part with a large interest, and possibly the control of the New York Central Railroad, is nothing more or less than the general tendency of the times toward concentration. It means harmony in the management of a great system of railways, where strife and ruinous competition has heretofore existed. The public will not be slow to see the real purpose of the new movement. Some, of course, will shrug their shoulders and say that it places too much power in the hands of one combination, and that the people will surely be oppressed in order that it may reap large profits. It does not seem possible, however, that aught but good results will be the outcome from having one head for a great system of roads, in place of a disjointed system in a constant turmoil of jealousies and disputes. The needs of our internal trade will be better met, and at the same time by bringing order out of chaos, all the roads will be benefitted in the matter of rates and distribution of traffic.

It was to be expected that the usual amount of romancing should be indulged in by the city papers during the progress of the negotiations between Mr. Vanderbilt and the syndicate. As soon as it was reported that such a huge transaction was pending, every financial writer for the New York press had a clear insight into its deepest mysteries. A number proclaimed it as nothing more than a stock-jobbing rumor, and by watering their stock of virtue, found themselves able to denounce the dishonorable conduct of every person who credited the report as well-founded. But when the sale was finally consummated, every man of them cried "I told you so"—and rested from his labors.

The syndicate which made the purchase is composed of London and New York bankers and the managers of the Wabash system of railways. This syndicate take outright $15,000,000 of New York Central stock at 120, of which 20 per cent. is to be paid immediately, and the balance in equal instalments of 20 per cent. on the first of each month till all is paid. The stock is to be delivered in similar proportions as each payment is made. There is an option, understood to be for one year, to take another $10,000,000 of the stock on the same terms, and Mr. Vanderbilt agrees not to sell his other Central stock in the market during the period in which the syndicate are taking the $15,000,000 absolutely, as above stated. Though no part of the contract, it is the understanding that Mr. Vanderbilt will buy and hold stocks of the Wabash system of roads to the extent that the managers of the Wabash system of roads have by the recent negotiation become owners of New York Central stock. It is also a part of the programme that none of the New York Central sold by Mr. Vanderbilt will come upon the market. That part of it which is owned here will be held, and the only part that will be sold will be in the London market.

Here is a news item recently telegraphed from Boston to the New York papers;

"The Supreme Judicial Court has removed the injunction issued several months ago against the Broadway Savings Bank, of Lawrence, the bank now being perfectly solvent."

This simple announcement shows (1.) that Massachusetts has a wise general savings bank law, and (2.) that the administration of the law is in safe hands. These are two essential points in the strength and good name of the savings bank system in any State.

Considering the first point, the day of special charters for savings banks is fast passing away. The people who use these institutions will have great cause for rejoicing when the last State wheels into line, and savings banks over the length and breadth of the land will be under the salutary restrictions of general laws adapted to the requirements of these banks in the several States. Then the hundreds of so-called savings banks, in various sections of the country, will be obliged to either go out of business or else sail under their true colors. Under this head it will be observed that the Massachusetts law, referred to above, has an excellent provision governing banks which have suffered loss, from any cause whatever. As soon as the bank commissioners ascertain that a bank's assets are not sufficient to pay off its depositors in full, the concern is at once placed under jurisdiction of the Court, and by discontinuing the interest due depositors for a time, and judiciously caring for the affairs of the bank in co-operation with its officers and trustees, in many cases the bank is thus saved from the ruinous policy of turning it over to the tender mercies of a receiver. Then again, in other Eastern States, when the assets of a bank become impaired it is lawful to scale down each depositor's account, *pro rata*, to make the impairment good. This is infinitly better for the depositors than allowing the average receiver to step in and eat up a large share of the resources in fat fees for himself and the lawyers.

The second point under consideration must necessarily be brief. It is only reasonable to expect that the administration of laws governing savings banks shall fall into judicious hands. If there is one position more than another that requires a clear head added to the greater virtue of an honest heart, that one is the executive officer of a State department charged with the duty of guarding savings banks. No one will deny this. That these powers may, in the course of human events, fall into injudicious hands, the recent experience in New York furnishes the most prominent example. The lesson drawn from Mr. Lamb's conduct of the banking department of this State should not be used, however, as an argument against general laws for savings banks. This is an isolated case. It simply raises the question, guarding against such a contingency, whether it is wise in these general enactments to clothe an officer with such wide and varied powers.

It is interesting to note the effect of Controller Knox's recent effort to stop the over-certification of brokers' checks by certain New York banks. No one questions the wisdom of the controller's action; in fact it was a simple duty he had to perform. The banks doing the largest share of this Stock Exchange business, however, have adopted a plan something like this; brokers are allowed discounts or loans for the day, the same as merchants procure them for thirty days to four months; and against the deposits of these credits checks can be lawfully certified. Sure enough this is "whipping the devil around the stump," but the devious paths marked out by that personage are not entirely unknown in Wall street.

That ultimate good will come from the controller's course is evident. The sagacious banker will use his action as a pretext for refusing accomodation to persons or firms unworthy of credit. But the banks should not have waited for such a pretext, but should have had the courage to treat their broker customers precisely as they treat all other customers.

An important question in banking has been decided by the suit in equity brought by Max Rosenthal, a citizen of New York, against the Mastin Bank and Kersey Coates of Missouri, and the Metropolitan National Bank of New York. The suit was begun in the Supreme Court of the United States and afterward removed to the United States Circuit Court, where Judge Blatchford has given a decision in which he allowed the "demurrer with costs to the defendant to be taxed, with leave to the plaintiff to move, on notice of payment of such costs within twenty days after the service of a copy of the order to be entered on this decision to amend."

On the 1st of August, 1878, Mr. Rosenthal, at Kansas City, paid to the Mastin Bank of Kansas City, Mo., the sum of $2,000, in exchange for which the bank delivered to him a draft dated at Kansas City and signed by its cashier, addressed to the Metropolitan Bank, and containing this direction: "Pay to order Max Rosenthal $1,998." At that time the Metropolitan Bank had in its hands $2,000 belonging to the Mastin Bank. The draft was presented at the Metropolitan Bank on the 5th of August, when the bank refused payment and the draft went to protest. Mr. Rosenthal attached all the money in the Metropolitan Bank belonging to the Mastin Bank in a suit in the New York Supreme Court, which suit went to judgment. The present suit is to determine the claims of the respective persons to the money.

Judge Blatchford decides that the check or draft did not operate as an assignment of the funds in the Metropolitan Bank, but that the general assignment made by the Mastin Bank for the benefit of its creditors on the 3d of August, 1878, conveyed a superior title to the funds to the assignee, and that the telegraphic despatch to the Metropolitan Bank announcing the failure of the Mastin Bank, which was received by the Metropolitan Bank August 5, was sufficient notice to warrant the Metropolitan Bank in withholding payment of the draft. The defendants demurred to the bill because it did not state facts sufficient to constitute a cause of action.

CONTROLLER KNOX'S ANNUAL REPORT.

NATIONAL BANK STATISTICS—REFUNDING—COIN INFLATION.

It is a well known fact that the annual reports of Hon. John Jay Knox, Controller of the Currency, are always readable and instructive, and give evidence of the immense amount of labor involved in their preparation. The forthcoming report is even more interesting than any previous one issued of this important branch of the Treasury Department. From an advance copy obtained for RHODES' JOURNAL OF BANKING, we are enabled to present our readers with the most valuable portions. Perhaps the fact of most interest in the new report is that of the enormous amount of currency now in this country. On the 1st day of November it was $1,165,553.504—or "$380,000,000 in excess of the highest point reached between the suspension and the resumption of specie payment." That is to say, there is about fifty per centum more currency than there was when prices were highest and speculation and other business were most extravagantly active during and after the war.

The first part of the report gives the statistics of banking operations in the entire country:

"The total number of national banks organized from the establishment of the national banking system, February 25, 1863, to November 1 of the present year, is 2,438. Of these 307 have gone into voluntary liquidation by the vote of shareholders owning two-thirds of their respective capitals, and eighty-one have been placed in the hands of receivers, for the purpose of closing up their affairs, leaving 2,050 in operation at the date last named. * * *

Since my last annual report thirty-eight banks have been organized with an aggregate authorized capital of $3.595,000, to which $2,390,449 in circulating notes have been issued. Thirty-eight banks, with an aggregate capital of $4,450.000, voluntarily discontinued business within the same period, and eight banks have failed, having a total capital of $1,030,000. The insolvent banks include two, with a capital of $700,000, which failed after having previously gone into voluntary liquidation.

The table below exhibits the aggregate average capital and deposits on May 31, 1879, of all classes of banks other than national, and the capital and deposits of the national banks on June 14 following:

	State b'ks, savings b'ks, private b'k'rs, etc.			National banks.			Total.		
Geographical Divisions	No.	Cap'tl Millions.	Dep's's Millions.	No.	Cap'tl Millions.	Dep's's Millions.	No.	Cap'tl Millions.	Dep's's Millions.
New England States......	536	10.83	384.17	544	164.43	126.72	1,080	175.26	510.89
Middle States..............	1,280	75.77	532.56	640	170.21	393.12	1,920	245.98	925.68
Southern States	494	33.92	47.02	176	30.40	37.93	670	64.32	84.95
Western States and Ter's.	2,002	80.72	216.37	688	90.20	155.63	2,690	170.92	372.00
United States..........	4,312	201.24	1,180.12	2,048	455.24	713.40	6,360	656.48	1,893.52

The following table exhibits, for corresponding dates in each of the last four years, the aggregate amounts of the capital and deposits of each of the classes of banks given in the foregoing table:

Years.	National Banks. Nnmber.	National Banks. Capital—millions.	National Banks. Deposits—millions.	State banks, private bankers, etc. Number.	State banks, private bankers, etc. Capital—millions.	State banks, private bankers, etc. Deposits—millions.
1876	2,091	500.4	713.5	3,803	214.0	480.0
1877	2,078	481.0	768.2	3,799	218.6	470.5
1878	2,056	470.4	677.2	3,709	202.2	413.3
1879	2,048	455.3	713.4	3.639	197.0	397.0

Years.	Savings banks with capital. Number.	Savings banks with capital. Capital—millions.	Savings banks with capital. Deposits—millions.	Savings banks without capital. Number.	Savings banks without capital. Deposits—millions.	Total. Number.	Total. Capital—millions.	Total. Deposits—millions.
1876	26	5.0	37.2	691	844.6	6,611	719.4	2,075.3
1877	26	4.9	38.2	676	843.2	6,579	704.5	2,120.1
1878	23	3.2	26.2	668	803.3	6,456	675.8	1,920.0
1879	29	4.2	36.1	644	747.1	6,360	656.5	1,893.5

The aggregate capital of the various classes of banks shown by the foregoing table, has diminished from $719,400,000 in 1876, to $656,-500,000 in 1879, and the aggregate deposits have fallen off from $2,-075,300,000 in 1876, to $1,893,500,000 in 1879—a reduction of $62,900,-000 in capital and $181,800,000 in deposits during the last four years. The national banking capital has diminished $45,100,000, but the deposits of the national banks are almost precisely the same that they were in 1876. Savings banks with capital show a reduction of about one million in capital and the same amount in deposits. The capital and deposits of State banks and private bankers are less by seventeen millions and eighty-three millions, respectively. The greatest reduction, however, is in the deposits of savings banks without capital, which have diminished $97,500,000.

REFUNDING THE NATIONAL DEBT.

Of the recent operations of the Government in refunding, the Controller says:

"The great war debt of the United States was contracted in less than four and a half years. In 1835 the country was entirely out of debt, and on January 1, 1861, the whole debt of the Union amounted to but $66,243,721. During the next six months it increased at the rate of about four millions a month, being on the first day of July, 1861, $90,580,873. During the next year it increased at the rate of more than thirty-six millions per month, and at the close of the fiscal year ending July 1, 1862, it had reached $524,176,412. At the end of the succeeding year it was considerably more than twice that amount, being on July 1, 1863, $1,119,772,138. During the following year it increased nearly seven hundred millions, reaching on July 1, 1864, the sum of $1,815,784,370. During the next nine months, to the close of the war, April 1, 1865, the debt increased at the rate of about two millions a day, or about sixty millions a month, and for the five months next thereafter, at the rate of about three millions a day, or about ninety millions a month, reaching its maximum on August 31, 1865, at which date it amounted to $2,845,907,626.

There was an aggregate of more than $1,276,000,000 of temporary obligations of the Government, of which $830,000,000 bore interest at 7.30 per cent.

This immense amount of temporary obligations was funded within the three years which followed the close of the war, and the skill and good judgment displayed in so doing can only be fully appreciated by those who are familiar with the difficulties of and delicate conditions under which this great work was accomplished. * * *

The whole amount of the funded debt on the 1st of July, 1871, was $1,935,342,700, of which $1,437,097,300 consisted of five-twenty bonds and $194,567,300 of ten-forty bonds. On the 1st day of August, 1871, nearly sixty-six millions ($65,775,550) of new five per cent. bonds had been subscribed for, chiefly by the national banks. During the same month an agreement was entered into by the Secretary [Secretary Boutwell's Report, 1871, p. 17] with Jay Cooke & Co. for the sale of the remainder of two hundred millions of said bonds, and in the month of January, 1873, similar arrangements were made for the sale of a large additional amount. The remainder of the five hundred millions ($178,548,300) was sold during the next three years, the Secretary of the Treasury stating in his report of December 6, 1875, that he had "the pleasure of announcing to Congress that the funding of five hundred millions six per cent. bonds into those bearing 5 per cent. interest has been accomplished." [Secretary Bristow's Report, 1875, p. 12.]

On August 24, 1876, a new contract was made by the Secretary [Secretary Morrill's Report, 1876, p. 11] with A. Belmont & Co. and associates for the sale of the three hundred millions of four and a half per cent. bonds authorized. In this contract the Secretary reserved the right to terminate it by giving ten days' notice to the contractors, and under this contract, calls were made prior to March 4, 1877, for the redemption of one hundred millions of six per cents. In May, 1877, the present Secretary availing himself of the privilege secured in this contract, gave notice that he would limit the sale of four and a half per cents. to one hundred millions, and additional subscriptions were rapidly made until that amount was taken. The avails of eighty-five millions of these bonds were applied to the redemption of five-twenties, the remaining fifteen millions being held for resumption purposes. On the 9th of June, 1877, a contract was made with a syndicate for the sale, at par, in coin, of the four per cent. bonds, authorized to be issued by the Refunding act, with the right to terminate the contract at any time after December 31, 1877, by giving ten

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd
Balt. & Ohio 6s, 1880, J. & J.....	101½	102
do 1885 A. & O....	106½	107
Pitts. & C. 1st 7s, 1898, J. & J....	111¾	112½
N. Cent. 6s, 1885, J. & J.........	108	109
do 6s, 1900,, A. & O... ...	108	109
do 6s, gold, 1900, J. & J..	105½	106½
Cen. O. 6s, 1st m., 1890, M. & S..	106¾	107¼
South Side, 1st 8s, J & J........	108	110
do 2d 6s, do	90	95
do 3d 6s, do	87	92
Cin. & Baltimore 1st 7s..........	100	105
W. M. 1st m 6s gu. 1890, J. & J..	115	116
do 1890, J. & J..	104	......
W. Maryland 2d m (pref).......	83	90
W. M. 2d m. 6s gu. by W. Co....	108	110
M. & Cin. 1st m 7s F and A 1892	102½	102½
do 2d m 7s M. and N....	71½	72
M. & Cin. 3d m 8s 1900 J. and J..	34⅞	35
Rich. & Dan. 1st m. M. and N...	96	......
Union R. R., End. Cant. Co.....	109	111
Canton Co., 1st 6, gold, J and J.	105	106
Orange, Alex. and Mn's 7s do..	67½	68
Orange & A. 1st 6s, M. and N...	96	100
do 2d 6s, J. and J.....	95	98
do 3d 8s, M. and N.. .	66	70
do 4th 8s, M. and S ...	32	33
Virginia & Tenn 6s 2d J. and J.	100	103
do 8s, J. and J..	114	116
W. & W. 7s gold 1900 J. and J..	108	112½
W. and Columbia and Aug. 7s.	40	45
Ohio & Miss, 2d 7s, A & O.......	111	112
Balt. Gas, J. and Dec....... 100	110	125
do gold certif.....100	103	105
People's Gas, J. and J....... 25	15¾	16
Consumer's Gas...............	4⅜	4½
do gold 6s, J & J, 1892...	98	100
Georges Creek Coal, J & J.....	95	105
Chesapeake and O. Canal bonds	35	50
Balt. Warehouse Co, J & J. ...	19	20
Cincinnati 7-30s, J. and J.......	......	......
Norfolk Water, 8s..............	117	......
LOUISVILLE.		
CITY AND CANAL BONDS.		
City improvement 6s...........	*101½	*102½
do bounty 6s................	*101½	*102½
do school 6s............	*101½	*102½
do wharf (old) 6s..............	*101½	*102½
do do (new) 6s...	*101½	*102½
do water works (old) 6s......	*101½	*102½
do do (new) 6s.....	*101½	*102½
do L. and N. R. R. (M. S.) 6s...	*101½	*102½
do L. and N. R. R. (L. E) 6s...	*102	*103
do E. and P. R. R. 7s (old).....	*104	*105
do E. and P. R. R. 7s (new)....	*106	107
do old liabilities due 1880......	*101	......
do St. Louis A. L. R. R.... ...	*102	*103
Canal bonds, 3d issue, 6s.......	*102	*103
do 4th issue, 6s......	*106	*107

SECURITIES.	Bid	Askd
Louisville Bridge Co. 7s........	*112	113
RAILROAD BONDS.		
Louis. and Nash. Leb. Br.......	*101	102
Louis. and Nash. Cons...........	*110	111
L. and N. 2d mort.............	*102	*103
Louis., Cin. and Lex. 1 m 7s....	*110	110½
do do 2 m 7s....	*99	99½
Jefferson. M. and I. 1st m 7s....	*112½	113½
do do 2d m 7s....	102	*103
Eliz. and Paduc. 1st m. 8s	......	......
E. and P. Louisville Br'ch 7s...	......	......
Shelby, 1st mortgage 8s.........	101	102
Owensboro and Russel, 1 m 8s.	......	......
MISCELLANEOUS BONDS.		
Kentuc. State bonds (old) 6s...	$105	......
do do (new) 6s..	$105	......
New Albany City...............	*104	105
Water Works bonds, 6s.........	*106	......
Louisville Transfer Co. 8s......	*100	......
STOCKS.		
Louisville and Nashville R. R..	71	72
Gas Company stock.......... .	107	108
Louisville Bridge Co. stock....	109	110
ST. LOUIS.		
CITY AND COUNTY BONDS.		
City water (is. '67) 6s gold......	$106	107½
City water (is. '70) 6s gold.......	$106	107½
City water (is. '72) 6s gold......	$106	107½
City sewer (is. '73) 6s gold......	$106	......
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City bdg approach 6s gold.....	$106	......
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EXAMPLES OF BANKING BUILDINGS IN VARIOUS SECTIONS OF THE COUNTRY.

B

The influence which prompted Mr. W. H. Vanderbilt to part with a large interest, and possibly the control of the New York Central Railroad, is nothing more or less than the general tendency of the times toward concentration. It means harmony in the management of a great system of railways, where strife and ruinous competition has heretofore existed. The public will not be slow to see the real purpose of the new movement. Some, of course, will shrug their shoulders and say that it places too much power in the hands of one combination, and that the people will surely be oppressed in order that it may reap large profits. It does not seem possible, however, that aught but good results will be the outcome from having one head for a great system of roads, in place of a disjointed system in a constant turmoil of jealousies and disputes. The needs of our internal trade will be better met, and at the same time by bringing order out of chaos, all the roads will be benefitted in the matter of rates and distribution of traffic.

It was to be expected that the usual amount of romancing should be indulged in by the city papers during the progress of the negotiations between Mr. Vanderbilt and the syndicate. As soon as it was reported that such a huge transaction was pending, every financial writer for the New York press had a clear insight into its deepest mysteries. A number proclaimed it as nothing more than a stock-jobbing rumor, and by watering their stock of virtue, found themselves able to denounce the dishonorable conduct of every person who credited the report as well-founded. But when the sale was finally consummated, every man of them cried "I told you so"—and rested from his labors.

The syndicate which made the purchase is composed of London and New York bankers and the managers of the Wabash system of railways. This syndicate take outright $15,000,000 of New York Central stock at 120, of which 20 per cent. is to be paid immediately, and the balance in equal instalments of 20 per cent. on the first of each month till all is paid. The stock is to be delivered in similar proportions as each payment is made. There is an option, understood to be for one year, to take another $10,000,000 of the stock on the same terms, and Mr. Vanderbilt agrees not to sell his other Central stock in the market during the period in which the syndicate are taking the $15,000,000 absolutely, as above stated. Though no part of the contract, it is the understanding that Mr. Vanderbilt will buy and hold stocks of the Wabash system of roads to the extent that the managers of the Wabash system of roads have by the recent negotiation become owners of New York Central stock. It is also a part of the programme that none of the New York Central sold by Mr. Vanderbilt will come upon the market. That part of it which is owned here will be held, and the only part that will be sold will be in the London market.

Here is a news item recently telegraphed from Boston to the New York papers;

"The Supreme Judicial Court has removed the injunction issued several months ago against the Broadway Savings Bank, of Lawrence, the bank now being perfectly solvent."

This simple announcement shows (1.) that Massachusetts has a wise general savings bank law, and (2.) that the administration of the law is in safe hands. These are two essential points in the strength and good name of the savings bank system in any State.

Considering the first point, the day of special charters for savings banks is fast passing away. The people who use these institutions will have great cause for rejoicing when the last State wheels into line, and savings banks over the length and breadth of the land will be under the salutary restrictions of general laws adapted to the requirements of these banks in the several States. Then the hundreds of so-called savings banks, in various sections of the country, will be obliged to either go out of business or else sail under their true colors. Under this head it will be observed that the Massachusetts law, referred to above, has an excellent provision governing banks which have suffered loss, from any cause whatever. As soon as the bank commissioners ascertain that a bank's assets are not sufficient to pay off its depositors in full, the concern is at once placed under jurisdiction of the Court, and by discontinuing the interest due depositors for a time, and judiciously caring for the affairs of the bank in co-operation with its officers and trustees, in many cases the bank is thus saved from the ruinous policy of turning it over to the tender mercies of a receiver. Then again, in other Eastern States, when the assets of a bank become impaired it is lawful to scale down each depositor's account, *pro rata*, to make the impairment good. This is infinitly better for the depositors than allowing the average receiver to step in and eat up a large share of the resources in fat fees for himself and the lawyers.

The second point under consideration must necessarily be brief. It is only reasonable to expect that the administration of laws governing savings banks shall fall into judicious hands. If there is one position more than another that requires a clear head added to the greater virtue of an honest heart, that one is the executive officer of a State department charged with the duty of guarding savings banks. No one will deny this. That these powers may, in the course of human events, fall into injudicious hands, the recent experience in New York furnishes the most prominent example. The lesson drawn from Mr. Lamb's conduct of the banking department of this State should not be used, however, as an argument against general laws for savings banks. This is an isolated case. It simply raises the question, guarding against such a contingency, whether it is wise in these general enactments to clothe an officer with such wide and varied powers.

It is interesting to note the effect of Controller Knox's recent effort to stop the over-certification of brokers' checks by certain New York banks. No one questions the wisdom of the controller's action; in fact it was a simple duty he had to perform. The banks doing the largest share of this Stock Exchange business, however, have adopted a plan something like this; brokers are allowed discounts or loans for the day, the same as merchants procure them for thirty days to four months; and against the deposits of these credits checks can be lawfully certified. Sure enough this is "whipping the devil around the stump," but the devious paths marked out by that personage are not entirely unknown in Wall street.

That ultimate good will come from the controller's course is evident. The sagacious banker will use his action as a pretext for refusing accomodation to persons or firms unworthy of credit. But the banks should not have waited for such a pretext, but should have had the courage to treat their broker customers precisely as they treat all other customers.

An important question in banking has been decided by the suit in equity brought by Max Rosenthal, a citizen of New York, against the Mastin Bank and Kersey Coates of Missouri, and the Metropolitan National Bank of New York. The suit was begun in the Supreme Court of the United States and afterward removed to the United States Circuit Court, where Judge Blatchford has given a decision in which he allowed the "demurrer with costs to the defendant to be taxed, with leave to the plaintiff to move, on notice of payment of such costs within twenty days after the service of a copy of the order to be entered on this decision to amend."

On the 1st of August, 1878, Mr. Rosenthal, at Kansas City, paid to the Mastin Bank of Kansas City, Mo., the sum of $2,000, in exchange for which the bank delivered to him a draft dated at Kansas City and signed by its cashier, addressed to the Metropolitan Bank, and containing this direction: "Pay to order Max Rosenthal $1,998." At that time the Metropolitan Bank had in its hands $2,000 belonging to the Mastin Bank. The draft was presented at the Metropolitan Bank on the 5th of August, when the bank refused payment and the draft went to protest. Mr. Rosenthal attached all the money in the Metropolitan Bank belonging to the Mastin Bank in a suit in the New York Supreme Court, which suit went to judgment. The present suit is to determine the claims of the respective persons to the money.

Judge Blatchford decides that the check or draft did not operate as an assignment of the funds in the Metropolitan Bank, but that the general assignment made by the Mastin Bank for the benefit of its creditors on the 3d of August, 1878, conveyed a superior title to the funds to the assignee, and that the telegraphic despatch to the Metropolitan Bank announcing the failure of the Mastin Bank, which was received by the Metropolitan Bank August 5, was sufficient notice to warrant the Metropolitan Bank in withholding payment of the draft. The defendants demurred to the bill because it did not state facts sufficient to constitute a cause of action.

CONTROLLER KNOX'S ANNUAL REPORT.

NATIONAL BANK STATISTICS—REFUNDING—COIN INFLATION.

It is a well known fact that the annual reports of Hon. John Jay Knox, Controller of the Currency, are always readable and instructive, and give evidence of the immense amount of labor involved in their preparation. The forthcoming report is even more interesting than any previous one issued of this important branch of the Treasury Department. From an advance copy obtained for RHODES' JOURNAL OF BANKING, we are enabled to present our readers with the most valuable portions. Perhaps the fact of most interest in the new report is that of the enormous amount of currency now in this country. On the 1st day of November it was $1,165,553,594—or "$380,000,000 in excess of the highest point reached between the suspension and the resumption of specie payment." That is to say, there is about fifty per centum more currency than there was when prices were highest and speculation and other business were most extravagantly active during and after the war.

The first part of the report gives the statistics of banking operations in the entire country:

"The total number of national banks organized from the establishment of the national banking system, February 25, 1863, to November 1 of the present year, is 2,438. Of these 307 have gone into voluntary liquidation by the vote of shareholders owning two-thirds of their respective capitals, and eighty-one have been placed in the hands of receivers, for the purpose of closing up their affairs, leaving 2,050 in operation at the date last named. * * *

Since my last annual report thirty-eight banks have been organized with an aggregate authorized capital of $3,595,000, to which $2,390,449 in circulating notes have been issued. Thirty-eight banks, with an aggregate capital of $4,450,000, voluntarily discontinued business within the same period, and eight banks have failed, having a total capital of $1,030,000. The insolvent banks include two, with a capital of $700,000, which failed after having previously gone into voluntary liquidation.

The table below exhibits the aggregate average capital and deposits on May 31, 1879, of all classes of banks other than national, and the capital and deposits of the national banks on June 14 following:

Geographical Divisions	State b'ks, savings b'ks, private b'k'rs, etc. No.	Cap'tl (Millions.)	Dep's's (Millions.)	National banks. No.	Cap'tl (Millions.)	Dep's's (Millions.)	Total. No.	Cap'tl (Millions.)	Dep's's (Millions.)
New England States......	536	10.83	384.17	544	164.43	126.72	1,080	175.26	510.89
Middle States..............	1,280	75.77	532.56	640	170.21	393.12	1,920	245.98	925.68
Southern States	494	33.92	47.02	176	30.40	37.93	670	64.32	84.95
Western States and Ter's.	2,002	80.72	216.37	688	90.20	155.63	2,690	170.92	372.00
United States..........	4,312	201.24	1,180.12	2,048	455.24	713.40	6,360	656.48	1,893.52

The following table exhibits, for corresponding dates in each of the last four years, the aggregate amounts of the capital and deposits of each of the classes of banks given in the foregoing table:

Years.	National Banks.			State banks, private bankers, etc.		
	Number.	Capital—millions.	Deposits—millions.	Number.	Capital—millions.	Deposits—millions.
1876	2,091	500.4	713.5	3,803	214.0	480.0
1877	2,078	481.0	768.2	3,799	218.6	470.5
1878	2,056	470.4	677.2	3,709	202.2	413.3
1879	2,048	455.3	713.4	3.639	197.0	397.0

Years.	Savings banks with capital.			Savings banks without capital.		Total.		
	Number.	Capital—millions.	Deposits—millions.	Number.	Deposits—millions.	Number.	Capital—millions.	Deposits—millions.
1876	26	5.0	37.2	691	844.6	6,611	719.4	2,075.3
1877	26	4.9	38.2	676	843.2	6,579	704.5	2,120.1
1878	23	3.2	26.2	668	803.3	6,456	675.8	1,920.0
1879	29	4.2	36.1	644	747.1	6,360	656.5	1,893.5

The aggregate capital of the various classes of banks shown by the foregoing table, has diminished from $719,400,000 in 1876, to $656,-500,000 in 1879, and the aggregate deposits have fallen off from $2,-075,300,000 in 1876, to $1,893,500,000 in 1879—a reduction of $62,900,-000 in capital and $181,800,000 in deposits during the last four years. The national banking capital has diminished $45,100,000, but the deposits of the national banks are almost precisely the same that they were in 1876. Savings banks with capital show a reduction of about one million in capital and the same amount in deposits. The capital and deposits of State banks and private bankers are less by seventeen millions and eighty-three millions, respectively. The greatest reduction, however, is in the deposits of savings banks without capital, which have diminished $97,500,000.

REFUNDING THE NATIONAL DEBT.

Of the recent operations of the Government in refunding, the Controller says:

"The great war debt of the United States was contracted in less than four and a half years. In 1835 the country was entirely out of debt, and on January 1, 1861, the whole debt of the Union amounted to but $66,243,721. During the next six months it increased at the rate of about four millions a month, being on the first day of July, 1861, $90,580,873. During the next year it increased at the rate of more than thirty-six millions per month, and at the close of the fiscal year ending July 1, 1862, it had reached $524,176,412. At the end of the succeeding year it was considerably more than twice that amount, being on July 1, 1863, $1,119,772,138. During the following year it increased nearly seven hundred millions, reaching on July 1, 1864, the sum of $1,815,784,370. During the next nine months, to the close of the war, April 1, 1865, the debt increased at the rate of about two millions a day, or about sixty millions a month, and for the five months next thereafter, at the rate of about three millions a day, or about ninety millions a month, reaching its maximum on August 31, 1865, at which date it amounted to $2,845,907,626.

There was an aggregate of more than $1,276,000,000 of temporary obligations of the Government, of which $830,000,000 bore interest at 7.30 per cent.

This immense amount of temporary obligations was funded within the three years which followed the close of the war, and the skill and good judgment displayed in so doing can only be fully appreciated by those who are familiar with the difficulties of and delicate conditions under which this great work was accomplished. * * *

The whole amount of the funded debt on the 1st of July, 1871, was $1,935,342,700, of which $1,437,097,300 consisted of five-twenty bonds and $194,567,300 of ten-forty bonds. On the 1st day of August, 1871, nearly sixty-six millions ($65,775,550) of new five per cent. bonds had been subscribed for, chiefly by the national banks. During the same month an agreement was entered into by the Secretary [Secretary Boutwell's Report, 1871, p. 17] with Jay Cooke & Co. for the sale of the remainder of two hundred millions of said bonds, and in the month of January, 1873, similar arrangements were made for the sale of a large additional amount. The remainder of the five hundred millions ($178,548,300) was sold during the next three years, the Secretary of the Treasury stating in his report of December 6, 1875, that he had "the pleasure of announcing to Congress that the funding of five hundred millions six per cent. bonds into those bearing 5 per cent. interest has been accomplished." [Secretary Bristow's Report, 1875, p. 12.]

On August 24, 1876, a new contract was made by the Secretary [Secretary Morrill's Report, 1876, p. 11] with A. Belmont & Co. and associates for the sale of the three hundred millions of four and a half per cent. bonds authorized. In this contract the Secretary reserved the right to terminate it by giving ten days' notice to the contractors, and under this contract, calls were made prior to March 4, 1877, for the redemption of one hundred millions of six per cents. In May, 1877, the present Secretary availing himself of the privilege secured in this contract, gave notice that he would limit the sale of four and a half per cents. to one hundred millions, and additional subscriptions were rapidly made until that amount was taken. The avails of eighty-five millions of these bonds were applied to the redemption of five-twenties, the remaining fifteen millions being held for resumption purposes. On the 9th of June, 1877, a contract was made with a syndicate for the sale, at par, in coin, of the four per cent. bonds, authorized to be issued by the Refunding act, with the right to terminate the contract at any time after December 31, 1877, by giving ten days' notice to the contracting parties. In 1877 seventy-five millions of the four per cents. were sold, and in 1878 more than one hundred and twenty-eight millions ($128,685,450). During the first four months of 1879, $497,247,750 additional fours were disposed of, of which more than one hundred and forty-nine millions were sold at a premium of one-half of one per cent. Of this amount, one hundred and twenty-one millions were taken by the First National Bank of New York and associates, and the remainder by other national banks. These, with the sales of forty millions of refunding certificates, completed the refunding of all the bonds of the United States which are redeemable.

The sales of United States bonds since 1871, under the Refunding acts, have been $500,000,000 of 5s, $185,000,000 of 4 1-2s, and $710,345,950 of 4 per cents; in all, more than $1,395,000,000. There have also been sold for resumption purposes, since March 1, 1877, under the authority of the Resumption act of January 14, 1875, $25,000,000 of 4s, and $65,000,000 of 4 1-2 per cents; the latter being at a premium of 1 1-2 per cent.

The reduction on the interest-bearing debt of the United States, from its highest point, on August 31, 1865, to November 1, 1879, is $583,886,594, of which amount $105,160,900 was accomplished since the refunding operations were commenced on May 1, 1871.

At the highest point the annual interest on the debt was $150,977,697, while it is now $83,773,778 only. There has, therefore, been a total reduction in this charge of $67,203,919.

The total annual reduction of interest under these refunding operations since March, 1877, has been $14,297,177, while the saving on this account growing out of the operations of the present year alone, is nearly nine millions ($8,803,707), and the total annual saving in all the refunding operations of the government since 1871, is nearly twenty millions ($19,907,607). The funding transactions are believed to be without parallel in financial history.

The public debt of England in January, 1793, amounted to $1,191,145,000. At that date began the great expenditures caused by the wars of the French Revolution, and of Napoleon, extending from 1793 to 1816. Between these dates stocks and annuities to the amount of $3,881,000,000 were placed on the market at rates of interest varying from 3 to 5 per cent. The average rate of discount at which the stock was sold was 33 per cent., and the average rate of interest paid on the money actually raised by the sale was 5.15 per cent.

After a long interval of peace the Irish famine in 1847 and the Crimean War and Indian mutiny, from 1854 to 1856, caused another addition to the public debt. In the years 1847, 1855, and 1856, 3 per cent. interest-bearing stock to the amount of $170,000,000 was issued and sold at a discount of 10.94 per cent., while the average rate of interest paid on the money raised by the sale was 3.4 per cent.

The three great French loans in 1870, 1871, and 1872, of nearly

$1,592,000,000, realized $1,273,000,000 only. The first loan was at the rate of 3 per cent., and realized to investors nearly five per cent., while the two subsequent and larger loans were sold at 82.50 and 84.50, which was about equivalent to 6 per cent. bonds at par.

WHAT THE NATIONAL BANKS HAVE DONE.

In the course of the report, treating of the national banking system, the Controller says that "it is certain that if the national banking system had not existed, and United States notes had been issued in place of bank notes, the refunding operations here described and the consequent large reduction of interest upon the public debt would not have been possible." The credit of the Government, he says, and its ability to borrow, have been enhanced by placing its bonds in large amounts in the possession of nearly all the leading monetary institutions of every city and village in the country. The Controller believes that the debt can now be refunded into 3 1-2 per cents long before its maturity. * * * *

A number of new suggestions are presented with reference to the resumption of specie payments and kindred topics. The Controller says that "it is manifest that at no time since the date of suspension has so large an amount of currency been needed for the legitimate purposes of business as during the present year. The harvests have been unprecedentedly large, while the value of agricultural products, owing to the short crops of other nations and the consequent demand for our products abroad, has greatly increased. There has also been a continual rise in wages, in the value of manufactured goods, in provisions, and in the price of iron and other commodities."

If this statement is correct, it will explain the scarcity of currency in the city of New York during the last two months, and the consequent demand for additional issues; the amount of national bank notes issued during September and October being nearly six and one half millions, which is nearly equal to the amount issued for the whole ten months preceding. It will also explain why the banks in New York have grudgingly presented for payment their legal-tender certificates, and been obliged to designate one of their number as a depositary for gold, upon which Clearing House certificates are issued and used in settling their exchanges.

Notwithstanding the large increase of specie in the country during the past year, the amount held by the banks has by no means increased in proportion. * * *

The Controller urgently recommends that all the national banks shall take advantage of the present influx of gold to accumulate in their vaults an amount equal to the total cash reserve required by law. He indulges the hope that the reports of another year may show them to be possessed of at least $100,000,000 of gold coin. If this coin, which is still flowing into the Treasury, shall also be largely accumulated by the banks, it will be more likely to become diffused among the people. This certainly would be the case if the smaller denominations of notes were withdrawn from circulation, which might perhaps be done without inconvenience if postal orders were issued in small amounts, and at a minimum cost, at every post office.

In referring to the addition of coin to the circulation, and the consequent redemption of legal-tender and national bank notes, the Controller believes that with the influx of specie it is important that such a paper currency shall be in circulation as can be easily retired, if in excess. A currency is needed which will act automatically, and as a regulator, like the governor in machinery, or the balance-wheel in the chronometer. The best currency is that one which will most readily adapt itself to the needs of business, and its relative cost should not be taken into consideration; for the best money is always the cheapest in the end.

A Newspaper Savings Bank.

The New Orleans "Times" makes this startling announcement:

"Recent developments have caused a widespread distrust of institutions for the deposit of savings. In view of this fact, and at the earnest solicitation of friends of this paper, we will commence next Monday, November 10, to receive deposits, and will continue this arrangement until a properly-guarded savings institution shall be founded in this city. No deposit less than $1 will be received. Depositors will be allowed a uniform rate of 5 per cent. interest, and will be paid their money on demand."

There is something refreshing in the method of starting this newspaper savings bank. The inquiring saver might want to know how the newspaper people propose to invest the savings entrusted to their keeping, in order that the "depositors will be allowed a uniform rate of five per cent. interest." Is it not reasonable to suppose that the editor, publisher, and foreman of the composing room, might elect themselves a committee on investment, and put the money into a paper-mill or type-foundry? But, seriously, it is a lamentable condition of affairs when such a notice as the above can, in all soberness, be published in any community. After the church and school house, every State should see to it that the way is open to banks for savings. Not private concerns, with the sign SAVINGS BANK over their doors, but legitimate institutions, with their powers, rights, and liabilities clearly defined by State law. The day of "bucket shop" savings banks should be brought to a speedy close. The material interests of the thousands of poor people are too sacred to allow of a few of the "leading citizens" to come together and form themselves into a body corporate that they may play being a savings bank at the expense of the saving poor. We maintain that it should be a law of the land (as it is now by virtue of honesty and sound sense) that savings banks in each and every section of the United States should be under the care of general State enactments, gotten up on the most secure and conservative basis, and that it should be a grievous crime for others than those so constituted to advertise themselves or put forth a savings bank sign. The day is surely coming when this condition of affairs will exist, but the sovereign people demand it at once.

THE A B C OF BANKING.

PRACTICAL HINTS ON BANKS—THEIR USES AND DUTIES—TAXATION, AND THE NATIONAL SYSTEM.—BY J. W. PROCTOR.

1. A Bank is an aggregation of capital, either under corporate authority or by association of private individuals, and should always be established with a sufficient known capital to give an ample guarantee to its patrons of its ability to perform what it undertakes to do, because without such public confidence it falls short of the real design and object of banking, viz.: The proper aggregation of the unemployed capital of the country, with a reasonable prospect of profit to the guarantor (or stockholder) and a positive assurance of safety to the guaranteed party (or the depositor).

2. But somebody may raise the question of usefulness—as the generally received opinion is that banks are only organized to prey upon the unfortunate debtor, and their only object to make money. To such I would answer that a bank, properly organized and prudently managed, sustains the same relation to capital that manufactures sustain to the raw material—products of the country. That is, it gathers up the unemployed capital, in the form of deposits, and brings it into active use by distributing it in loans, exchanges and such other forms as will make it available in moving the crops (whether in the form of stock or grain), or in the running of mills, shops or other manufacturing establishments.

3. While they do not claim to be institutions of philanthropy, they nevertheless occupy a useful position in the business and commerce of every civilized community, and as such ought not to be the subject of unfriendly legislation, and are entitled to receive the same fostering care which agriculture and manufactures claim for themselves.

To illustrate this principle, I will give some facts and figures taken from the books of the Central National Bank, of Danville, Kentucky, and when it is considered that this is a country Bank, with a comparatively small capital, the contrast with city Banks and large capital will be the more apparent.

On a recent date, an ordinary business day, the books of the bank show individual deposits to consist of 117 items, amounting to $34,125; other credit items in general business, $27,300—making a total of credits of over $61,000. Individual checks on this bank 291, amounting to over $44,000; checks on other banks 71, amounting to over $13,000. Total number of checks paid 362, amounting to over $57,000—which, together with the other items entering into the general business of the day, showed an aggregate of $92,880 46—which aggregate was accomplished with a difference in cash on hand at the close of business on that day of only $2,526.

4. Having thus defined a Bank, with a portion of its duties and

functions, I state another proposition not generally well understood by those who have not taken the trouble to investigate it, but as susceptible of demonstration as the foregoing. As I am aiming more at plainness than elegance of diction, I affirm that the money of commerce consists not alone in gold and silver coin, Bank notes and Treasury notes, or what is generally known as the currency of the country, but is made up much more largely of credits in other forms, such as negotiable notes, bills of exchange, sight or time drafts drawn against produce stored or in transit, for sale or conversion, bank checks, &c., thus needing an intermediary agent to render available the vast values constantly in transit from producer to manufacturer or consumer. By this it will also appear that debtor obligations as a basis for circulation is not a novel idea, but is as old as the bill of exchange, said to have been invented first by the Jews about the 13th Century.

5. Did the scope of these notes allow, I might so far digress at this point as to offer an argument to prove that the importance of specie payments has been greatly magnified. Specie payments in finance is much like the equator in Geography—only an imaginary line, which may be unconsciously crossed—and yet we have had great political battles fought for several years between our statesmen and politicians about the precise point upon which this line should be drawn. If my theory of the money of commerce is correct, it is manifest that specie payments cannot be maintained during times of great financial distress or panic, because the volume of the money of commerce is so out of proportion to the specie supply of the country, that it is patent to the most casual observer that specie payments can not be maintained when the demand for it is anything like general, but only when comparatively nobody wants it. I therefore conclude that the controversy between parties and factions as to the enduring value of payments in specie, is a matter of minor importance, inasmuch as no legislation can determine when it shall not stop and because the time of its continuance rests upon public confidence in the future value of other commodities. But as there is a wide-spread and generally accepted opinion that we must conform to the usages of the world in the idea that specie, as the acknowledged money of the world, gives more stability to a currency redeemable in and exchangeable for coin; and inasmuch as we have surely passed what in mechanics is called the "dead-point," and the depreciation of values to the specie point exists now simply as a dream of the past, it is so much better to press forward than retrace our steps and fight the same battles over again. It is not the *quality* so much as the *quantity* of legislation and the consequent agitation of the future of this and other financial questions that is ruining the country.

6. It is pertinent to inquire what are the properties of a bank best suited to the wants of commerce, the convenience of the people, and offering the most security at the least cost. A better answer to this

inquiry does not now occur to me than that given by Secretary Schurz in a recent speech, in which he said: "If it be a bank of issue, its notes must be well secured and surrounded with such guarantee of convertibility that they may pass throughout the land without discount and without danger of loss to anybody. Second, its deposits must be well secured by reserves, so as to be reasonably safe; third, its discount and loan business must be conducted without extortion, so as to afford reasonable accommodation to the business of the country." This answer is so nearly correct that I shall not try to improve on it.

It will not be contended by many, however wedded to old ideas, that the State Bank circulation of former years met this first requirement, though a few are advocating a return to the old State Bank system. The memory of the heavy item of exchange under the old system, often ruling as high as one to two per cent. for exchange between the ports of New Orleans or Charleston and New York, and between San Francisco and the Atlantic ports, is too fresh in the memory of comparatively young men now living to allow them to advocate that system.

7. That the national bank note does bear these qualities of security and uniform value is proved by the fact that no holder of a national bank note has ever lost a dollar by reason of the failure of any national bank, and its uniform value is attested by the low rate at which exchange has been kept for the past twelve years, scarcely ever, if at all exceeding the cost of transporting bank notes and often much below that point. This difference may be readily understood, if we take up the history of State bank circulation, and compare it with that of the national banks.

Under the old State bank charters of Kentucky, for example, which were considered amongst the best and most conservative of the nation, the banks having a circulation were allowed to issue three dollars for every dollar of paid up capital, without other additional security than this capital pledged for its redemption; but, notwitstanding the generally high character of the officers in control of these institutions, a knowledge of the fact that they did frequently avail themselves of this privilege, made this authority, intended to give flexibility to the currency, one of the most dangerous elements in times of panic; because, at the sound of the first note of alarm, the note-holders, either in person or through the agency of brokers, presented their notes at the counters of the respective Banks demanding specie for them, and the Banks readily understanding that they could not meet three dollars of liability with one dollar of capital, would immediately call in their loans in the hands of the people, thus producing such distress as impaired greatly the ability of the people for payment, as no new or other loans could be obtained from other banks, and the consequence was, either an increased rate of interest demanded to meet the increased risk incurred, or the unavoidable sacrifice of property to meet these demands, and either the people or the banks must go under. It not unfrequently ocurred that both were ruined in the struggle.

8. The facts in relation to national bank circulation as to security are almost the reverse of the State bank. No national bank is allowed under any circumstances to have in its possession a greater amount of circulation than 90 cents on the $1 of her paid-up capital stock, and this only upon deposit with the Treasurer of the United States of bonds of the United States, to the extent of $100 fcr every $90 of circulation issued.

9. The most plausible argument ever offered for the old system of State bank circulation was flexibility of the currency and a reduction of rates of interest. It does not require a trained financier to recognize the fact that flexibility of the currency comes from another source, and history does not confirm the theory of cheap interest when we add the cost of exchange, produced by the limited sphere of the circulation of these State bank notes and the consequent depreciation of value when passing beyond the limit of the States in which they were issued, by reason of the limited points of redemption, and the fact that they were frequently made redeemable at points difficult of access; whereas the national bank note is redeemable both at the bank of issue and the Treasury of the United States.

10. But while it is candidly admitted by some that this system of banking, combining, as it does, the benefits of National credit, with the security furnished by the individual interest, and personal supervision of those who have their money in it, yet it is objected that it is too expensive, and it is claimed that it would be better if the Government should issue Treasury notes in lieu of the National Bank notes, and redeem the bonds held by the national banks as security for their circulation. To many this seems plausible and desirable, because it is claimed and admitted that the Treasury note furnishes that uniform currency now issued by the national banks, and upon principles of economy this should be done ; but it should at the same time be remembered that it is neither claimed or admitted that the U. S. Government can or ought to supply this intermediary agency required by commerce.

11. It is charged that national banks are the great monopolies that devour the country. As to this, it is only necessary to say, briefly, that the number of share-holders of the national banks is about 220,-000, and the average amount of stock held by each is about $3,100. More than one-half of these share-holders hold 10 shares or less each, while the entire number holding more than 100 shares ($10,000) each, is but 10,851, and of these but 767 hold more than 500 shares (or $50,-000) each, thus demonstrating how generally these shares are distributed amongst the people. But that which is open to the world under the same conditions can be no more a monopoly than raising wheat or spinning cotton. Any number of persons, not less than five, who can

furnish the capital and pay the taxes are invited to this field, and the profits of the business, if so lucrative, ought to invite competition.

12. The public generally are coming to understand that the Government has set a distinguished example in taxing banks upon their indebtedness, viz.: on both their circulation and deposits, and the banks have appealed in vain to have this unjust tax removed. But all stockholders should be glad to know what inducements would be offered to capitalists to embark in the business of banking, with its attendant hazards and expenses, for the purpose of loaning its capital only, when that might as well be done without the additional expenses incident to the business of banking, and what additional benefits would the banks by that means extend to commerce above the private capitalist. So far as the writer can understand the question, this restriction to the use of capital alone would defeat the very spirit and intention of the business in its relation to commerce, and when I shall find a bank, National, State, or private that professes to confine itself strictly to the use of its capital in its resources of profits, I shall conclude there is indeed "a great cry for little wool."

13. But we are told there is no intention to interfere with the banking system of the country. It is only proposed to retire the national bank circulation. If it be true that national bank profits are not now excessive, what is to induce capital to remain in an institution maimed by the removal of one of its important limbs? If these institutions furnish better security than any others which we have tried, shall this go for nothing? And shall we wipe out a system that by the test of experience is proved and admitted (by its opponents even), to be the best we have ever had, simply because that a hobby is needed to ride into office, when nothing is offered as a substitute that is claimed to be better?

Legislation is what we have had and are continually having too much of. If some one could devise a plan for the suppression of legislation, and transfer this force to the machinery and muscle of the country, he would be entitled to the distinction of a philanthropist, and the gratitude of his countrymen. Indeed, if the former could be accomplished, the latter would start of its own volition.

14. If the readers of the JOURNAL will bear with me in summing up what I claim as the benefits of the National system, and if it is found that it is best adapted to the wants of commerce in furnishing a uniform currency and reduced rates of exchange, and by reason of the small profit on circulation it lifts that burden from commerce which would otherwise be charged in interest,—if it removes this perplexing question from the field of politics and suppresses the evils of a Government issue, to be regulated more by the caprice of partisans than the wants of commerce, if it supplies that quality of *intermediary* in commerce which the Government cannot supply without adding to the crowd of mischievous office-holders,—in short, if it possesses the qual-

ities of the best banking system ever known to the country, I leave you to judge whether it is worth more than it costs.

15. May I ask the readers of this magazine to keep clearly in mind* the prime functions of a bank and its relations to commerce, and especially of that intermediary quality afforded by banks not practical through any other agency, and also the evidences of security offered by national banks above any other known to us, and more particularly to the definition of the kind of bank best suited to the wants of commerce and the convenience of the people. I presume it will not be controverted that any currency to be of uniform value in all parts of the country in which it is intended to circulate must be well secured, and I will assume that such a currency is of incalculable benefit to commerce in facilitating the exchange of commodities between the sections and the reduction of the cost of such exchanges; neither will it be denied by any that both the national banks and Treasury notes equally possess this uniform value.

To come directly to the cause of difference or the point at issue between the advocates of these respective systems, it is claimed by the advocates of the Greenback idea that it is a useless waste of public money to allow the banks to receive interest on their bonds deposited as security for circulating notes, (which, it is claimed, amounts to $21,000,000 annually), when the Government may as well pay off the bonds and issue Treasury notes instead. This, it will be perceived, leaves entirely out of the question the other offices which the banks perform for commerce, which, no thinking man can deny, could not be performed by the Government, one of the less important of which functions is the issue of circulating notes; but for the present we will pass that branch of the question and inquire for what purpose these bonds are required to be deposited by the banks. With great confidence, I affirm, that it is for the security of the note-holder, in order that it may impart to him that confidence essential to confer upon it that quality of uniform value, because it is secured by a consideration, the value of which is known to all and which could not be imparted to it if secured by any other property possessing a local value, though such local security might be many times greater. It is true, without controversy, that a banker to inspire such confidence as will enable him effectually to perform that office of intermediary, must have property of some kind, and the more universally the value of that property is published to the world the more extended his credit, and the better is he qualified to perform the functions of banking.

Now that business is reviving in every section of the country there are very few observers but recognize the resumption of specie payments as an important factor in bringing about this happy condition of affairs. Business conducted on a specie basis means a full return of public confidence, and whatever strengthens the confidence of the people strengthens public credit. If the national banks furnish such additional security as contributes to strengthen that public confidence above the other systems which we have tried, or which are now offered in substitution for them, this factor is not to be ignored in the work of transferring from an irredeemable currency to a coin basis the vast property interests and commercial transactions of this great nation, but are entitled to their proper credit for whatever they contribute in that direction.

Security is increased by a division of responsibility under the same conditions, and hence the division of issues of currency between the United States and the banks, makes each help to bear the other's burdens in the resumption of and maintenance of specie payments, and each may and must help to tide over the chasm of a hesitating public confidence until the fact of our ability to sustain it has been fully demonstrated. This qnality of a division of responsibility gives confidence that each will be the better able to meet these obligations, and will relieve the public mind of much of its urgency.

Amongst the sophistries of the stump we have often heard the Greenback orators declaim what they have borrowed from each other, giving it to the world as original from each that "the greenback during the war was good enough for the laborer and the soldier, but gold only was fit for the bondholder." Now these gentlemen propose to repeat what they condemned during the war as the Pandora's box from which all our evils sprung.

17. There are those who insist that by the issue of the entire currency of the country for circulation, a large amount of interest will be saved to the people, and deposit banks will supply all necessary banking facilities, in which proposition the security offered by this system is entirely ignored. I claim that the credit of national banks, by reason of their rigid government supervision and sound condition, preserved by a knowledge of their required published statements, is so far superior to that of deposit and private banks, that it returns to commerce in the security of business and decreased cost of exchanges, more than it costs the U. S. Government if the whole cost claimed by its enemies be admitted. Who can estimate the value of a sound currency to a commercial people? Most of the prejudice which exists today against the National system, comes from chronic objectors—many of them whose motive is to tear down rather than build up on strong foundations—then again there is another class whose prejudices result from large losses and repeated insolvencies under other banking systems.

That large number of outsiders who have lately been attracted to Wall street, having come from all parts of the country to seek to become suddenly rich by speculation, and who are known as "the lambs," have been shown by the professional speculators that prices can go down as well as up. To many of them it is their first lesson, and they have undoubtedly paid for it full tuition rates.

C

The Use of Checks in Germany.

[The following reference to the use of checks in Germany is from the London "Banker's Magazine" for November. It is of interest to note that, though checks are not commonly used in Germany, they are free of a stamp duty under the law. But, should the Chambers of Commerce referred to be instrumental in bringing checks into more common use, doubtless the government would impose the odious tax. At least, that would seem to be an outgrowth from the plan, if our own experience may be taken as an index. It is to be hoped that the next Congress will wipe out the obnoxious tax on checks.]

The employment of checks in all business transactions is so general in Great Britain, that we scarcely understand the difficulties which are still felt in many countries in introducing a system which is so familiar to us. The following statement relating to the desire felt at the present time to establish the employment of checks in Germany will, therefore, be of interest to our readers:—

The Chamber of Commerce at Brunswick has lately forwarded circulars to the other Chambers of Commerce in Germany inquiring whether they feel disposed to form a general meeting to discuss the plan of a law which would regulate the nature of checks for the whole of Germany, according to principles to be mutually agreed on. If the use of checks is to become more general in Germany, every educated person should have a knowledge of their nature and use, as he has of a bank-note or a bill. For this reason a legal enactment is required to regulate the nature of the check. The regulations fixed by a special law should include the definition, that is to say, the indication of the mark distinguishing it from the simple draft, which, amongst other things, enables checks to be free of stamp duty, as is permitted at the present time by the stamp law; also the remedy in case of non-payment, the time for which is regulated by the ordinary law of the land, but which should, undoubtedly, be made at least equal to the remedy for bills; further, the definition of the short periods allowed for presentation and limitations of term of validity, similar to those prescribed by foreign laws; finally, the protection against an illegal and fraudulent use of drawing, which appears to be especially required, owing to the characteristic nature of the check. Besides this, the various rights and obligations of the holder, the drawee, and the drawer would have to be fixed. In all these regulations it must be considered that the check demands a far greater amount of trust during the short period of its circulation than the bill, not being a form of paper money like the latter, but representing payment in cash. Without such regulations by law, the use of the check as a general circulating medium, with all its individual and general economic advantages, will never be thoroughly established, or only slowly and with great difficulty.

THE CONTROLLER ANSWERS W. H. BLISS.

[Some of our readers may have read, in the early part of October last, a letter, or at least extracts from a letter, sent by William H. Bliss, Esq., U. S. District Attorney at St. Louis, to the Attorney-General of the United States, concerning the relations of the Controller of the Currency with the late National Bank of the State of Missouri. To those who are so fortunate as to know the Hon. John Jay Knox, no word of his is necessary in vindication of either his private or public life; but occupying, as he does, one of the most responsible positions in the Treasury Department, many know him in his official capacity only. To such the following reply is especially commended. After all the newspaper notoriety given to Mr. Bliss' charges, they fell like a dead weight, as such allegations and insinuations, "wholly and gratuitously false" from beginning to end, always do.]

TREASURY DEPARTMENT,
OFFICE OF CONTROLLER OF THE CURRENCY,
WASHINGTON, October 29, 1879.

SIR: I had the honor to acknowledge on the 17th inst. the receipt, by reference from your office, of a letter of the Attorney-General of the 16th inst., transmitting a communication of William H. Bliss, Esq., United States Attorney for the Eastern District of Missouri, relative "to the position assumed by the Controller of the Currency in the matter of the prosecution of the officers of the late National Bank of the State of Missouri, now under indictment for violation of the National Banking law."

In my letter of acknowledgment I advised you that a copy of this communication would be forwarded to the Receiver of the bank for report, which was immediately done, and I have now his reply thereto, which I herewith inclose. In the meantime, and without affording me a reasonable opportunity to make my answer, the report of the District Attorney has, through his own procurement no doubt, been published in full in the public prints, accompanied, in some instances, by startling and conspicuous head-lines, attributing to me the grossest official negligence and malfeasance in office. I am the more surprised by these misrepresentations and by this display of malevolence on the part of the District Attorney, in view of the fact that from the time I went to St. Louis up to the date of his communication—a period of nearly ten months—he had never, so far as I know or have heard, made any complaint to his superior officers as to my official conduct or as to that of the Receiver. As no request from him for official action or information has ever been for a moment neglected or denied by me or by the Receiver, I had no cause to suspect, and did not suspect, that I was the object of the hostility which he now makes public.

The only formal complaint made in intelligible or unambiguous terms, concerning my action in relation to the criminal proceedings referred to, appears to be that I have misunderstood or failed to obey the public statutes which define my duties, and that I am not in sympathy with the public prosecutor in his efforts to bring to justice the violators of the National Banking law. The charges, however, which are made by indirection and innuendo, rather than by any definite allegation, and which he evidently wishes to have read between the lines of his letter, are, that I have in some way screened or wish to screen from the consequences of their crime the officers and employes of the bank: that I have withheld information essential to the successful prosecution of officers of the bank charged with offences against the law; that I have in some way prevented or desired to prevent investigation of the affairs of the bank; and that I have not given my official sanction to the prosecution of the particular cases to which he refers. These charges—those that are made by vague intimations as well as those definitely alleged, I declare to be maliciously false; and I believe them to have been made, not from a sense of public duty, but to subserve personal and unworthy motives and purposes. So far as they relate to me in my official conduct and motives, I *know* them to be false. So far as they relate to the Receiver and his conduct and motives, I believe them to be false; and their falsity is made plainly apparent by the records of this bureau and by the public history of the transactions in question.

Some months before the failure of the bank, having received unfavorable information as to its condition and management, I sent an expert examiner from Chicago, with instructions to make a searching inquiry into its condition. After careful inquiry by the examiner selected by me, Mr. William P. Watson, he sent me a full report relating to the assets, liabilities, and the condition of the bank, stating that about forty per cent. of its capital was gone. He also informed me that the last report which had been transmitted to me from the bank was incorrect as to the amount of past-due paper and the character of the cash items. Upon receiving the examiner's report, I at once required that there should be a reorganization of the board of directors, and the board thus organized—one of its members being Hon. John B. Henderson, an ex-Senator of the United States, a well-known citizen of St. Louis, and a lawyer of high standing—were put upon inquiry to ascertain the true condition of the bank, by the full and explicit letter which I had written, under the date of March 31, 1877, pointing out what was improper and needed correction in the administration of the bank's affairs, which letter was in their possession.

In June, 1877, the new board, after weeks of searching investigation into the condition of the bank, informed me that it was insolvent, and on the 23d of that month I appointed as Receiver of the bank Mr. Walter S. Johnston, who had previously had much experience in closing up insolvent banks, and who was not a resident of St. Louis, was unacquainted with any one connected with the bank, in no way involved in its complications, and in whose tried ability, integrity, and experience I had reason to place the most implicit confidence. The business incident to the payment of its creditors and the winding up of the affairs of the bank has been conducted by the Receiver with noticeable vigor and success. Since his appointment, the Receiver has paid dividends amounting to seventy per cent. of the claims proved against the bank, and distributed more than fifteen hundred thousand dollars in cash to its creditors.

On the 14th of December, 1878, in compliance with a telegram received from the District Attorney, I sent to him, by express, the originals of all reports and oaths of directors requested by him, contrary to the regulations of the Treasury Department, and directed the Receiver to give him a copy of the report of Examiner Watson, which was in his possession.

On the 23d of December, 1878, I received a dispatch from the District Attorney, requesting my immediate presence in St. Louis. After a delay of two days, which was occasioned by my effort, made by the advice of the Assistant Solicitor of the Treasury, to communicate with the judge in St. Louis, I left for that city and appeared before the grand jury on December 27.

I do not think it permissable to follow the example of the District Attorney, and state what occurred in the grand-jury room, further than to say that all the information I had relative to the bank and its management was communicated to the grand jury without any evasion, reservation, or concealment whatsoever; and that all the records of the bank and information possessed by any person under my control, were placed at its full disposal and subject to its action. The result was that indictments were found against the President, vice-president, and cashier of the bank. At a later day another grand jury took into consideration the conduct of the officers of the bank, and it, too, was furnished with all the information in possession of this office and of the Receiver: and an officer of this bureau was dispatched to St. Louis, on May 1, 1879, who testified before the grand jury as to what he knew relative to the affairs of the bank.

From that time up to the day of his complaint to the Attorney-General, the District Attorney has never sought my advice or given me any information concerning these criminal prosecutions, nor has he made application to me, or to the Receiver, so far as I am informed, for any action, aid, or sympathy in his proceedings against the persons accused and now under indictment.

It is not true that I am now, or have at any time been, in any way antagonistic or averse to the prosecution of the persons indicted: or that I have been unwilling or indisposed to have the cases brought to trial. On the contrary, I have always been ready to co-operate with the District Attorney, and to place at his disposal the necessary records and papers of this bureau.

I come now to the consideration of the complaints made by the District Attorney relating to the occurrences subsequent to the finding of the indictments already mentioned. The indictments were found nearly a year ago, but the accused have not yet been brought to trial. The District Attorney does not venture to assert that this delay has resulted from any fault or negligence on my part, or that I have directly or indirectly hindered or prevented a prompt or vigorous administration of the law. He knows that such a charge would be so obviously false and unfounded that it would be injurious rather than useful to his purpose. He prefers, therefore, to convey indirectly the impression that my action in securing the payment of money by Mr. Eads, the surrender to him of the evidence of his indebtedness, the action of the Receiver in reference to the custody of the books of the bank, and in retaining Hon. John B. Henderson as his counsel after he had become, as is alleged, counsel for one of the persons against whom an indictment had been found, and in retaining in his employ the late cashier, who is now under indictment, have, in some unexplained way, injuriously affected the interests of the prosecution.

It is true that, on the advice of the Receiver and his counsel, I did, having first obtained an order of a competent court, as provided by law, accept from Mr. Eads the payment of a large sum of money in full satisfaction of his indebtedness to the bank. I accepted it, because I believed the settlement to be of vital importance to the interests of the creditors of the bank; but in so doing I did not condone any infraction of the law, nor did I intend to deprive the prosecution of any evidence which the District Attorney intended or desired to use. If the District Attorney had desired the retention of the notes which, I am informed by his communication, were produced before the grand jury, he should have so informed the Receiver when he returned the notes to him, after he had made what use he wished of them.

As to the action of the Receiver, I never knew, until I read the District Attorney's complaint to the Attorney General, that the late cashier continued in the employ of the Receiver after the finding of the indictments, or that Mr. Henderson was the counsel for one of the accused officials. I had not heard that the District Attorney had ever had any difficulty in obtaining access to the books of the bank. It would naturally be supposed that, if the District Attorney sincerely entertained the belief that these matters were detrimental to the public service, he would have felt it to be his duty as a public officer to give to me or some officer of the Government timely information and notice, by telegraph or otherwise, of his objections. From his silence, the unavoidable inference is that he considered them frivolous and insignificant, as they really are, and that he has brought them into notice merely to subserve his own interests.

In explanation of the continued employment of the late cashier of the bank, it appears that the Receiver considered it important that the bank should have the benefit of his knowledge of its books and business. It also appears that the District Attorney informed the Receiver that there was no need to discharge Mr. Curtis, and that he did not know that his case would come to trial.

It is but just to the Receiver that I should quote from his letter his reasons for the retention of Mr. Curtis, and also his statement concerning his counsel and the custody of the books of the bank.

He says :

I found Mr. Curtis here on hand, the cashier of the bank for ten years, a man of "natural moral excellence" and "fine business habits," to quote Mr. Bank-Examiner Watson's report. He was familiar with every book, paper, and transaction in the bank—and their name is legion—and could in a moment lay his hands on any paper or entry wanted in the vast mass and array of records. He was the necessary and indispensable witness in the important litigation of the bank, involving enormous pecuniary demands *pro* and *con*. There was but one other officer comparable to him in usefulness to creditors, and that was the assistant cashier, equally guilty as the cashier, if there be any guilt in the alleged false entries and reports, who refused my offer of retention as too low pay for so important a person as the late assistant cashier of this bank, but who is the person referred to by the United States District Attorney as furnishing the "expert services of the late employe" in informing on his old employers, in return for which we have the gratuitous tender of him by the District Attorney as a person "equally competent" with Mr. Curtis, whose services can be "readily obtained if desired." Mr. Curtis was continued by me as my principal assistant because I believed him to be, as I have found him to be, an invaluable assistant. He has a wife and children to support, and God forbid that I should prejudge his conduct. Let the law proceed in due course.

Mr. Bliss is egregiously mistaken in speaking of him as "employed by the United States Government." On the contrary, he is employed by me. Said the United States Supreme Court, in *Case vs. Terrill*, 11 *Wall.*, p. 199: "The Receiver represents the bank and its creditors, and in no sense represents the United States Government." The Government does not employ or pay Mr. Curtis. And to show that the District Attorney is pitifully insincere in his complaint that Mr. Curtis has charge of the dumb mouths of these books, (any attempt at alteration of which would be manufacturing his own ruin,) I am compelled to recall the fact that immediately after his indictment, in Mr. Bliss's office, I deprecated the prospective loss of Mr. Curtis's services; whereupon Mr. Bliss remarked that there was no need of discharging Curtis, and that he didn't know that his case would come to trial. As to the defendants having free access to the books, pray why shouldn't they? The District Attorney kept them for five months after they were indicted. Their attorneys made repeated demands of me, as a matter of simple right and justice, to see their books and papers; to which I responded constantly, that I did not intend to interfere in the slightest degree with the claim of right of possession of this very peculiar District Attorney, if he kept them all until doomsday. In point of fact, however, although the books were returned in June last, I have never once seen defendant's attorneys in this bank during office-hours making any examination of anything in these cases; and no one knows better than Mr. Bliss that he has and can come to this office without surveillance or intrusion, and that he has always been received with courtesy and familiarity, and that every request of his has been promptly met, and that Mr. Curtis (who "receives and answers" nothing, all of which is done by myself alone) has, with intelligent alacrity, furnished forth every book, paper, or piece of information requested by Mr. Bliss or by the grand jury. He, possibly, has a different theory about the effect of it all; but I vouch for his perfect integrity in furnishing the facts. Mr. Bliss never addressed me a solitary letter other than requests for such and such a book or paper or kindred matter, and whose contents might have been "known to the defence" to their hearts' content for all the good it could have done them. What nonsense this all is! I am ashamed to have to take so much time in answering it.

6. When I came here I found General Henderson virtually directing proceedings, and freshly and fully informed of the whole affairs of the bank. He was a leading attorney of high reputation for ability and probity, so I concluded to employ him in any litigation we might find necessary to commence or defend. I have from time to time employed other attorneys. Some of the accused in this matter saw fit to employ General Henderson to defend them; not by my "advice and consent," but with my knowledge and consent, although I don't see what my consent had to do with the matter. General Henderson, I presumed, could safely be trusted to square his conduct in any matter by a high sense of professional duty. I don't presume to dictate to him, nor does he ask my advice and consent about what clients he shall have, and what not; and the Controller of the Currency does not know, so far as I know, whether he has been retained by any of the accused or not.

I have accurately and carefully stated what my position and official action have been in relation to the affairs of the bank and the proceedings against its officers herein referred to. There can be no serious dispute as to what I have done, or left undone, because the evidence of my official acts is preserved in the records of the bureau. The only inquiry suggested by the statements I have made appears to me to be whether, in the course I have pursued, I have fully performed the duties which devolve upon me as the chief officer of this bureau, which is by statute charged "with the execution of all laws passed by Congress relating to the issue and regulation of a national currency secured by United States bonds?"

Inasmuch as section 380 of the Revised Statutes provides that "all suits and proceedings arising out of the provisions of the law governing national banking associations, in which the United States or any of its agents shall be parties, shall be conducted by the District Attorney of the several districts under the direction of the Treasury," and inasmuch as section 771 of the Revised Statutes makes it "the duty of every District Attorney to prosecute in his district all delinquents for crimes and offences cognizable under the authority of the United States," I have considered that criminal prosecutions against officers of national banks were, like prosecutions for counterfeiting national bank notes, and for committing various other crimes against the laws of the United States, placed under the immediate charge of the attorneys of the United States, subject to the control of the Solicitor of the Treasury and the Attorney General. It is not true, therefore, as is stated by the District Attorney, that in many past instances of criminal violations of the banking law indictments have been procured or prosecuted under the especial guidance and assistance of the

Controller. The records of the Treasury Department and of the Department of Justice show that I have never assumed the guidance or control of criminal prosecutions, but that in almost all instances prosecutions for offences against the banking law have been commenced, carried on, and concluded by the prosecuting officers of the Government, without any consultation with the Controller, and without seeking or obtaining from him any aid or instructions. It has occasionally occurred that prosecutions have been begun in consequence of communications or reports received by me, and referred to the Solicitor of the Treasury, who is the legal adviser of this bureau. But it has never occurred that this bureau has assumed to have or to exercise authority to set on foot, to control, or to terminate criminal prosecutions. That authority, so far as I know has always been claimed and exercised by the attorneys of the United States, under the direction of the Solicitor of the Treasury and the Attorney General, but without the advice or consent, *and usually without the knowledge of this bureau.*

Section 324 of the Revised Statutes prescribes, briefly, the general duties of the Controller, and various other sections of the statutes specifically provide what the Controller shall do under certain given circumstances; that he shall require banks to keep reserve; to redeem their circulating notes; not to wrongfully certify checks; to pay up capital stock; not to continue to hold their own stock; and the law provides that if the banks fail in any of these particulars, the Controller shall appoint a Receiver, and that for continued violations of law he shall bring suit for forfeiture of the charter of the bank.

Section 5234 of the statutes also specifically prescribes the duties of the Receiver; that he "shall take possession of the books, records, and assets of every description of such association, collect all debts, dues, and claims belonging to it, and, upon the order of a court of record of competent jurisdiction, may sell or compound all bad or doubtful debts, and on a like order may sell all the real and personal property of such association, on such terms as the court shall direct; and may, if necessary to pay the debts of such association, enforce the individual liability of the stockholders." He is also required to pay over all moneys to the order of the Controller, and to make a report to him of all his acts and proceedings.

The criminal sections of the National Bank Act do not impose any duties whatever upon the Controller or Receiver, but I beg leave to say that I am, and have always been, ready and willing to give to the proper officers of the Government full and prompt information of all criminal violations of the banking law, and to do everything in my power to further their efforts to secure the punishment of offenders against it; but I do not consider that I am charged with the duties or responsibilities of a public prosecutor. If I am mistaken in my construction of the law, the action of this bureau has been wrong from the day of its creation, but can be corrected in compliance with any instructions you may think proper to give.

Having, as I believe, fully answered the charges of the District Attorney, I now beg leave to call your attention to some peculiar and noticeable features in the conduct of that officer in relation to the prosecution in St. Louis, which explain the motives of his bitter and malicious attack on me, and show how little consideration his complaints are entitled to receive.

Although the circumstances which led to the failure of the bank, and the transaction in which its officers had been engaged, became matters of public notoriety and report at the time of the failure, and although the Receiver, in the fall of 1877, within six months after the failure, communicated to him all the particular causes thereof of which he had any knowledge, the District Attorney took no steps to secure a judicial inquiry into the management of the bank or the punishment of the delinquent officers and directors. Not only did the District Attorney fail to set on foot a judicial investigation or any criminal proceeding, but when the grand jury at St. Louis, more than a year after the failure, itself took the initiative and demanded that the Receiver of the bank should be required to appear before it, the District Attorney, as is stated by the Receiver, upon information derived from the District Attorney himself, steadily opposed this demand, on the ground that the grand jury had no right to demand the presence of any witnesses except upon the direction of the District Attorney, and that he had no knowledge of the commission of any crime in relation to the management of the bank, as the Receiver had not appeared before him and made complaint upon his oath. But, finally, and in the face of the opposition of the District Attorney, and after the grand jury had made complaint in open court of their inability to obtain the attendance of the witnesses they wished to examine, as I am informed by the Receiver, the inquest was begun.

As I have already stated, I appeared before the grand jury, as did also the Receiver, and offered for their examination all the records and papers of the bank, and gave them full information as to the transactions which brought about its failure, and as to all the persons who participated in those transactions. In the course of their investigations the conduct of all the directors in reference to the mismanagement of the bank's affairs must have become known to the grand jury as fully as did the conduct of the president and vice-president and cashier. The result was that, after a long inquiry, indictments were found only against the former president, the vice-president, and the cashier of the bank, for making unearned dividends, for purchasing the stock of the bank, and for making false reports; but although there is a provision of the statute which makes the "wilful misapplication" of the funds of a national bank a crime, no indictment was found with reference to the disposition of the immense sums of money which the bank had lost by the action of the directors, nor were there any indictments found against any other directors, although it is, of course, absurd to suppose that of the board of directors, the president and vice-president were alone responsible for or concerned in the payment of unearned dividends, or for the purchase of the stock of the bank.

It is of course true, and indeed notorious, that the persons indicted were not the only or the chief offenders against the banking law. Why are there criminal proceedings now pending against the president, the vice-president, and the cashier, but not against the other directors?

One of two explanations for their immunity and escape must be true. Either the grand jury of their own motion dismissed their cases from consideration, or its action was caused by the advice and influence of the District Attorney. As the District Attorney has felt at liberty to repeat and publish in part the testimony which he says I gave before the grand jury, he will, perhaps, not be unwilling to state what communications he made, what influence he exercised, and what advice he gave to the grand jury to induce them to ignore the grave offences of the other directors, and to fix their attention upon and confine their action to the acts of the president and the vice-president alone. He will, perhaps, also state whether or not he informed me, without solicitation, in his own office, and other persons elsewhere, of his proposed visit to Washington for consultation, and if such visit was not afterwards brought about by his own contrivance, and also whether or not such visit did not interrupt the business of the grand jury, and was not made for the purpose of obtaining instructions that would relieve him of the duty of instituting criminal proceedings against those who had misapplied the funds of the bank.

My own action, from the inception of the proceedings in question to the present time, has been absolutely impartial. I have favored no directors or set of directors. I have fully stated all facts within my knowledge. I have neither modified my official action nor withheld information in consideration of its probable effects upon certain individuals. Can the District Attorney say as much for his own official conduct?

The public, to which the District Attorney refers, will probably take very little notice of any controversy between that officer and myself; but it has not failed to notice the fact that no one has, up to the present time, been criminally punished for any offence committed in the management of the bank, and that with the reference to the most flagrant offences committed by the directors, no prosecution whatever has been commenced.

It is my earnest wish that some competent and impartial person may be directed to make a careful scrutiny into the cause of this conspicuous and scandalous failure of justice, not forgetting to inquire of the grand jury what transpired during their investigation, and what personal advice the District Attorney gave to certain members of the jury in reference to screening those directors who were equally guilty with those indicted. It will give me pleasure to have my conduct, in its minutest particulars, made the subject of the most thorough examination and criticism, and I will cheerfully abide by and accept the result of such an inquiry.

In the meantime, I take occasion to express the conviction, formed deliberately and on sufficient ground, as I believe, that the purpose of the District Attorney in making false and groundless charges against me, is to divert attention from his own gross negligence and omissions of duty, and to conceal the partiality and inefficiency of his official conduct, and to prepare the public mind in advance for the probable failure, through some weakness or defect in the testimony or in his indictments, of the prosecution to which he refers.

I have the honor to be, very respectfully,

JOHN JAY KNOX,
Controller of the Currency.

HON. JOHN SHERMAN,
Secretary of the Treasury.

Three Great Financial Disasters.

The Pittsburg "Telegraph" has published a review of the various financial panics which have occurred in our history, and, after reciting, briefly, the history of the United States Bank up to the year 1819, thus tells the story of the disaster that befell our trade in that year: "Fortunes were wiped out in a day, speculative companies that stood everywhere thick as shocks in a wheat field, vanished magically, and shareholders were aghast; suburban lands and city lots that were to return a hundredfold dropped to almost worthlessness. As an example of the effect of the panic on real estate here, an old citizen says that land on Boyd's Hill held at $2,000 an acre dropped to $100; lots on Fourth avenue held at $2,000 fell to $100; property in the region of Market street, on which were good brick houses, only partly paid for, were wholly abandoned, as property quite as good could be bought for less than the sums due on these. But the United States Bank with its capital of $35,000,000 weathered the storm, and by furnishing the country again with a stable currency of uniform value, won back coy confidence, and again compelled the State banks to go into liquidation, or to raise the value of the notes to the standard of the national bank notes. This together with the temporary settlement of the slavery agitation by the compromise of 1820, and especially with the impetus given to home manufactures by the tariff of 1824, and the work of internal improvements, set the country upon its feet once more.

"It is not in man, however, to let well enough alone, above all when it stands in the way of his political theory. The second charter of the bank was to expire in 1836. When the Thirty-Third Congress assembled on the 2d of December in that year, President Jackson said in his Message that in the interim his Secretary of the Treasury had ordered the removal of the Government deposits from the United States to the State banks, and he gave as his principal reason for this that the bank had used these deposits for partisan purposes. The parliamentary warfare that followed this action was unparalleled for vindictivness, and is too long to be related here even if germane to the subject. The constitutional point involved was the old one that Jefferson had contended for, viz., the power to charter banks is a right reserved to the States; they alone could supply a constitutional paper currency. The State rights question had come bounding to the surface again. This authoritative recognition of the value and usefulness of the State banks, and the importance attached to them as Government depositories, stimulated their organization to an extraordinary degree. Many were chartered to take the place of the United States bank, the closing of which was expected. The State banks increased from 282 in 1830, to 632 in 1837. During the same period their capital rose from $145,000,000 to $290,000,000; their circulation from $61,000,000 to $149,000,000; their loans and discounts from $200,000,000 to $485,000,000; their deposits from $55,000,000 to $127,000,000. Thus during these seven years the banking facilities of the country had been considerably more than doubled, while the increase in the capital of the country was small, and there was no manifest need of the addition of a dollar to the currency. The result of the increase of the currency was an unexampled delirium of extravagance and speculation, in the midst of which came the destructive collapse of 1837. Ruin reigned on every hand; almost every business man and business house in the land was involved in the common wreck. Collections were next to impossible, and in some States, as notably Mississippi, wholly so. Credit everywhere was destroyed. There was a general suspension of the banks at the first blast of the storm in 1837. In 1838 they made a heroic endeavor, and resumed payment, but the year following those of Philadelphia and the regions of the South and West again bent before the storm. The distress was pitiful, and during the first two years of the panic it was necessary to import large quantities of food from Europe. The country that a short time before abounded in what it called wealth, and boasted loudly of its many resources, could not furnish bread to the hungry. The failure of the banks holding the deposits of the Government left it without a penny. Congress was hastily summoned, and Treasury notes were issued to keep the department going until the Sheriff could sell out the shareholders of the defunct banks and recover the deposits. Finally the Government divorced its monetary affairs from those of trade and commerce, and established the Independent Treasury. The disaster was so complete that one cannot point to any exact date when the hard times ceased. The recovery was in fact the gradual re-creation of the ruined industries.

"Until 1853 the volume of paper money increased slowly, and only according to the actual wants of expanding trade, but at that period specie began to gain largely on the volume of paper, and the people, learning nothing from the painful lessons of the past, enlarged the volume of paper in proportion to the influx of gold from California, until, in 1857, the circulation reached $214,000,000, which was far beyond the legitimate need, and then came the third great commercial crisis of our history—the panic of 1857. According to Treasury statistics, the actual bank circulation of that year was $214,778,822, and inside of a twelve-month it shrank to $155,208,344, a contraction of nearly $60,000,000. And during the same period the total of bank loans shrank from $684,456,000 to $533,165,000, a contraction of more than $150,000,000, which of itself reveals the suffering of business then. The crisis was quick and sharp and bitterly felt, but our rich soil, a fine foreign market for our crude productions, and the rapid development of industry under mild taxation, restored property, and by 1860 the paper circulation had risen to $207,000,000, almost as great as before the panic. Another panic was imminent then, and only averted by the outbreak of the war and the suspension of specie payment by the banks, Dec. 30, 1861, when the Government loans, first of $50,-000,000 and then of $150.000,000, had been drawn by Secretary Chase.

'Several prominent facts are observed as one glances over our commercial history. The first of these is its popular passion for paper money. No disaster has been severe enough to teach its people the dangers of speculative wealth. The second is the fact that the longest and cruelist period of suffering that this country ever endured, previous to the civil war, was brought on by political tampering with the currency. The financial question was a leading issue in the re-election of President Jackson, and he had hardly stepped from his high office when the panic of 1837 spread dismay in every household. The third fact is the marvelous recuperative powers of the country, as exhibited in the signal instance, to take only one, of the aggregate wealth of the country, in spite of the desolating panic of 1837, increasing twice as much during the 10 years from 1840 to 1850 as it did during the 10 years from 1850 to 1860."

Read the announcement of the "Financial News-Letter" on another page. It is our aim to furnish for one annual ($5) subscription, a first-class monthly magazine for Bankers, supplemented by a weekly record containing all the essentials in monetary affairs.

A Very Short History.

[From "The Safeguard and Savings Bank Reporter."]

A book entitled the "Cashier's Scrap-Book," by H. C. Percy, has just been issued from the press of Messrs. G. W. Carleton & Co., of this city.

The work contains a great deal of interesting matter, among which are two chapters on savings banks, one being a "General View of Savings Banks in the United States," and the other dealing with "New York Savings banks." The latter chapter after reviewing the rise and progress of these banks, closes thus:

"The following are some noteworthy facts in the history of savings banks in the State of New York:

1. The first thirty-five years were entirely free from failures. Fifty years passed and the loss to depositors was an inconsiderable sum. In 1871, two failures, both banks under "Ring" rule. In 1872-3, three failures.

2. In 1875, a General Savings Bank Law was passed, conforming the banks to equal rights, liabilities and powers. Before that time each institution was operated under its own charter.

3. From 1875 to 1879, twenty-four failures. Amount due depositors in all the failed banks, about $15,000,000; of this amount a trifle over one-half has been returned to depositors—the balance goes to the receivers, lawyers, "assistant wreckers," referees, &c.

4. In the summer of 1877, Mr. H. L. Lamb, the Bank Superintendent's deputy or assistant, "*fell on the mantle* of his deposed superior," (as RHODES' JOURNAL OF BANKING puts it), and since then he has been in charge of the department. Thus far his record cannot be described as enviable. In order to gratify his desire to make a show of extraordinary vigilance, many of his acts have been calculated to impair public confidence and bring the institutions and their management into disfavor. Under the New York law extraordinary powers are given to the Bank Superintendent, and in the hands of an incapable or unscrupulous man, the office may be subserved to personal and selfish aims."

Would it not be well for our law-makers (and their constituents as well), to ponder over the fact that the enormous commerce of the past year has been transacted principally in foreign ships? Only 17 per cent. of the grain, provisions, cotton, tobacco and other products shipped abroad were carried in American vessels, the reason of this being that this trade now seeks steam transportation. The Americans have only four steam vessels running to Europe, while foreigners have from 150 to 200 in the trade. Of the goods imported, 32 per cent. was carried in American vessels, the larger share of the business enjoyed by the Americans being due to the establishment of Mr. Roach's line of steamers to Brazil, and to the fact that the trade with Cuba is now transacted almost entirely in American bottoms.

Should Interest be Regulated by Law?

A sample of bungling legislation is furnished by the law rushed through the New York Legislature the last session, reducing interest from seven to six per cent. Its promoters thought that it would go into effect immediately after its passage, but in their undue haste this point was not clearly set forth, and after a vast amount of legal lore and expert knowledge was brought to bear on the subject, it was decided that the law should go into effect January 1, 1880. Then again, the matter was left in such confusion that no one appears to know whether all usury penalty has not been unwittingly cut off. It surely would not be a cause for deep regret if it should prove so. In referring to this subject the "Commercial Chronicle" is entirely right when it says: "The rural interests are quite welcome to have the rate stand at six per cent. after this year, for that will do as well as any other, in absence of any contract; but it will be a wise step, and one in the way of progress, if those interests can only be brought to accept the situation and promptly end the problem by expressly altering the law so as to prescribe six per cent. unless a different rate is specified. Usury will then disappear, both as a crime before the law and a word in men's mouths; if any effect follows, it will be in the direction of lower rates and freer lending; and the recognition of the fact, that the fullest freedom is the amplest protection, may be brought a little nearer."

Then again it is a question whether usury laws tend to keep down interest rates, or to put them up. The fact that they do go up notwithstanding the law, and the inconsistency between a law that interest on money borrowed shall be at the rate of seven per cent. a year, and the actual payment of a rate ranging from seven to twenty times seven (see the rates paid for the use of money in Wall street recently), seem enough to prove that the law does not keep rates down. To say that, but for the law, rates would rule even higher than they rule with it, seems a ludicrous assertion rather than an argument.

There is no question that a poor security justifies and compels an advanced rate, the borrower having to pay for the extra hazard; the non-taxability of government bonds benefited the borrower only, and not the lender, the advantage appearing in a higher price brought by the bonds; a tax on mortgages is borne by the mortgagor; these are incidental illustrations of the rule, too often forgotten, that the purchaser pays all expenses. Make loaning money difficult, hazardous, or in any way unremunerative, and the borrower must pay for all the hazards; on the other hand the borrower profits by giving money the utmost freedom of movement.

BANKING AND FINANCIAL LAW.

†Duty of Bank to Return Vouchers for the Amounts Debited in Pass Book Against the Account of a Depositor.

Thomas C. Clark, from the latter part of 1855, to June, 1874, kept an account with the Mechanics' Bank in the City of New York. According to his own testimony he was a man of careless business habits, and after keeping his account with the bank for several years, and finding that his check book invariably agreed with his bank book as balanced by the bank, he discontinued keeping a check book and thereafter depended upon the bank to keep his account, writing his checks upon such blanks as he picked up on the bank counter, or upon the blanks of other banks, properly altered when this was necessary. He also testified that he had no receipts for payments made by him, nor any ledger or other book containing a record of such payments during the time hereafter mentioned. Also that the bank on one occasion prior to the time in question made a mistake in his account and did not pay a check of his through such mistake, when his funds in its hands were ample to meet it.

On the 11th day of July, 1864, Mr. Clark's balance with the bank was $394.44.

Between that date and the 14th of September, 1865, he deposited $56,864.76.

During this interval his book was not balanced by the bank, but remained in the custody of its book-keeper. The plaintiff testified that whenever he made a deposit during this time he would go to the

† The case here reported, Clark vs. The Mechanics' Bank of the City of New York, was argued and submitted on appeal to the General Term of the New York Court of Common Pleas, at the last November term of that Court. It has been the care of the writer to abstain from any partial or improper comments upon a question which is now submitted to a high judicial tribunal for determination, but simply to lay before the readers of this JOURNAL early information as to the facts and law, so far as promulgated, of an important and interesting case in banking law.

*The editor of the Law Department of RHODES' JOURNAL will be pleased to furnish, on application of subscribers, detailed information regarding any case referred to herein, or will answer questions in banking law. Address: *Law Department, RHODES' JOURNAL, 13 Spruce Street, New York.*

book-keeper and obtain his book for this purpose, make the deposit, and return the book, and that he frequently complained of the fact that his book was retained so long, and that the book-keeper explained that he retained it because he was very busy. Finally, on or about September 14, 1865, the book was returned to him balanced. In it he was charged with 72 checks, reducing his deposits to a sum stated at $2,151.49, but 23 of these checks were not given him. They extended over the period of July 14th—Oct. 19, 1864, inclusive, and amounted to the sum of $27,149.70, and on the pass book were marked "missing." The plaintiff's testimony as to what was said when the bank first brought this to his notice, was given in the following language:

Q. He handed you the book with some vouchers in it. Now tell what occurred.

A. He handed me the book with some vouchers in it, and I immediately opened it and looked at it. The first thing I saw was the amount of the balance, and I said what have you been doing with my money; why, said he, did you think you had a large balance? No said I, I was sure of it. How much did you think it was? Said I at least $30,000. Oh no, said he, and I laid my eye right on the missing vouchers, and I said what does this mean? Well, said he, vouchers I could not find. Oh said I, you have made another mistake with my account, as you did once before, giving somebody else credit for my moneys. He said I think not, but I will look. Well, said I, you look and find, "so I passed along and took no more notice of it till I thought he would have found his mistake, but I went there different times."

After this the plaintiff continued dealing with the bank, deposits were made by him, which were credited in the same bank book, and added to the balance of $2,151.49, which the bank reported, and the plaintiff drew drafts against the same. This state of things lasted until June, 1874, during which time the plaintiff's account was balanced twenty-three times.

The plaintiff further testified that during the eleven years that elapsed before the bringing of suit he called frequently at the bank about the matter, until at his last interview with the cashier the latter told him that it was by courtesy only that vouchers were returned to depositors, and that the claim was outlawed. Thereupon the plaintiff drew a check for the sum of $27,149.70, payable to bearer, presented it to the bank, and upon obtaining its refusal to pay brought this action.

The case was tried before Judge J. F. Daly and a jury, at Common Pleas Trial Term. At the close of the evidence for plaintiff, a motion was made to dismiss the complaint, on the ground that the repeated balancing of the account constituted so many accounts stated, which were binding upon plaintiff, and for the further reason that it appeared by the evidence that the cause of action did not accrue within six years prior to the commencement of the action. This was denied, and thereupon the defendant proved by way of defence that the disputed checks were received in the ordinary course of business in the bank, and entered in regular order daily as received, in the regular record of the bank, that there was nothing unusual or singular about these entries by which to distinguish them from any other entry; that such checks were examined and scrutinized by the paying-teller, Mr. Cook, by two clerks, Hoffman and Brinkerhoff, who entered them in the debit book; by Hoffman, Brinkerhoff and Dennison, who entered them in the check list, and by Wright, who entered them in the pass book. Thus these 23 checks were actually in existence and in the custody of the bank, and had passed the scrutiny of two experts, and had each been entered three times in different books up to Dec. 19, 1864. Another matter of defense was stated by the Judge who presided at the trial, in his charge to the jury, the latter part of which was as follows:

"They (defendants) next produce in corroboration of this testimony (relating to 19 of the missing checks) and of the genuineness of the four checks entered in the debit book by Mr. Brinkerhoff, evidence going to show that six of these contested checks came in the regular course of business from other banks, and were deposited in such banks immediately prior to their appearance in the Mechanics' Bank, and were so deposited by persons with whom the plaintiff dealt at that time, namely, Demarest & Wygant, Kingsland & Comstock, Sayre & Bro., and Meyer & Strauss. In the case of Demarest & Wygant, evidence is given to show that the plaintiff on the date in question is credited in the books of the firm, in the handwriting of Wygant, one of the partners, with the payment of the exact amount so charged by that firm, and so charged among these original vouchers. Now, gentlemen, that presents in about as short and concise a form as I could put it, the evidence in this case upon which the jury is to determine whether these 23 checks were drawn by the plaintiff or not. All outside of this is a matter of argument, or of inference, or of reasoning from attendant circumstances. That is just as important an element, and these inferences and these circumstances are to be considered as much as those circumstances that I have alluded to. This jury may consider from its knowledge of business, and its knowledge of men, and its knowledge of the course of business, all these facts and the circumstances of this case, for the purpose of ascertaining where the preponderance lies between the parties. To go further than this—to take up each one of these circumstances, the question of delay, the question of demand, the question of the plaintiff keeping or not keeping books, the question of the loss of the vouchers—any of the circumstances on the one side or the other would insensibly draw me into a discussion of the weight of these circumstances, and lead me unintentionally perhaps to lay greater stress upon one fact than another. Now I forbear running the risk of doing so, because this jury is to be the judge of the facts, and as this case involves almost altogether a question of fact, I mean that this tribunal shall decide it entirely unbiased by any observation of mine. I am here more to preside over your deliberations than for any other purpose, to see that the proper evidence is laid before you, from which you are to make up your minds. Further than that I will not go. The parties will have to be satisfied with your verdict. You are the only tribunal which can decide this controversy. I say that not only for the purpose of inviting you to grasp the issue boldly, but also to impress upon you the necessity for an agreement in this case, if an agreement be possible."

The jury returned a verdict for the full amount claimed.

A motion was then made on the Judge's minutes to set aside this verdict, which was granted.

Several months' consideration of the motion was given by the Judge, and an elaborate opinion written by him.

In it he says, after reviewing the evidence: "In the face of this proof the jury gave the plaintiff a verdict for the full amount of his claim, not even deducting the amounts traced to the plaintiff through the books of Demarest & Wygant and the North River Bank. This verdict must be due to a mistake on the part of the jury as to the issue involved in the case. They could not have thoroughly comprehended the instruction that they were to ascertain whether these missing vouchers or any of them had been drawn by the plaintiff. They must on the contrary have supposed that the bank was entitled to no allowance for a genuine check which had been lost."

From this order the plaintiff has appealed to the General Term, and it was that appeal which has just been argued. The position of the case now is such that it may turn entirely upon the *power* of the Judge at Trial Term to set aside the verdict of the jury* under the circumstances, but it would be fortunate if the merits of the case could be gone into and passed upon.

* Defendant's counsel indulges in his brief in a little sarcasm directed against the jury in this case: "We doubt if this result is paralleled by any verdict, unless perhaps by the verdict obtained by Mrs. Bardell against the unfortunate Mr. Pickwick, from the 'enlightened, the high-minded, the right-feeling, the conscientious, the dispassionate, the sympathizing, the contemplative jury of her civilized countrymen.'"

BANKING AND FINANCIAL NEWS.

Interesting Pamphlet on Bimetalism.—Mr. Henry H. Gibbs, who was one of the delegates on the part of Great Britain to the Monetary Conference at Paris last year, has recently furnished an extremely interesting contribution to the literature bearing on the silver question. He has printed in pamphlet form a letter to Mr. Cazalet, in which he announces a change in his views on that subject, and this change is so decided that it must attract great attention both in England and in America. Mr. Gibbs takes up and undertakes to answer the principal objections to the double standard concisely.

First—To the objection that it is impossible to regulate by legislation the value of any commodity, he replies that money is not a commodity, but a measure of commodities; that the consent of the people or the authority of the Prince can give an exchangeable value even to worthless paper.

Second—It does not necessarily follow that the cheaper of the two metals would remain in, while the dearer would be exported from, the country; because if the commercial nations should unite on a standard, or ratio of values, there would be no place for it to go, being of equal value in all countries.

Third—Such a compact is not impossible. France, Italy, Austria, and the United States would assuredly make no difficulty. Germany is beginning to waver, and could doubtless be made to see her advantage in it, and if England would set the negotiation on foot, the consent of all would speedily follow. He "does not see that England would have any inducement to refuse to join in a compact which would confessedly bring some advantage with it and afford relief from great existing difficulties."

Fourth—To the objection that there will always be a preference for gold, he answers that "half the world has now a preference for silver. In point of fact, it is not cheaper to transport gold than it is to transmit silver, the freight and insurance being *ad valorem*, and the same for either. If there be any difference between them, silver would have the advantage, inasmuch as gold, by reason of its less bulk, value for value, is more exposed to the danger of robbery." There would be but few cases in which either would require to be transported, except in the first instance to the bank or the mint, when it would furnish the basis for checks or bank notes.

Fifth—To the objection that any new discoveries of silver would dangerously disturb prices he replies, that the dangers resulting from an increase of silver would be no greater than the danger to monometallic countries, of an increase in the production of gold, and as this risk is now incurred without serious apprehension, the other might well be. "What is it that has caused the fall in the price of silver? Demonetization almost wholly, and remonetization would raise it again to its former level."

Sixth—To those who urge as an argument the sixty years of prosperity England has enjoyed, he says that, whatever may be said of the past, England is not at present remarkably prosperous, and that her troubles are aggravated by the fact that France as a bimetallic country has heretofore been used as the medium of exchange between the silver and gold countries, but she is no longer available for that purpose.

In conclusion he says: "I have expressed in this letter conclusions which differ very widely from the spirit of the report of the Paris Conference, presented to the government by my colleagues and myself. I fully concurred in that report, but the more I have, since then, thought over the subject of the conference, the more I have been led to distrust some part of our reasoning, and to doubt in part the wisdom of the conclusions to which we came. In no case was it to be expected that the conference would have simply affirmed the original resolutions of the Commissioners of the United States. Indeed, the evil from which we suffer had not at that time pressed so strongly upon the minds of Englishmen as it has since done, and public opinion was less prepared than I think it now is to look with favor on any change which might promise to alleviate it; but I incline to think that the conference might have been a starting-point for negotiations for an international accord which should cut the root of the evil. I have tried to show that such a policy is practicable, and that though a universal monometalism would be better if it was possible, no such possibility exists; that though England has flourished long, trusting in her gold monometalism, there was a cause which enabled her to do so—a cause which no longer exists—and that, even granted that there would be inconvenience in surrendering our single standard, there may be a greater inconvenience still in remaining as we are."

M. Philippart's Speculations.—A Paris dispatch to the London press, Nov. 11th, says: "The settlement between the Banque Europeenne (which has now frankly accepted all of M. Philippart's operations), and outside brokers began yesterday, the necessary money for the liquidation of his indebtedness having been obtained from the Credit Lyonnais under the guarantee of a syndicate formed among outside brokers, and in pledge of which some thousands of Credit Mobilier and Tramway shares have been lodged with that institution."

English Iron.—The Manchester "Guardian" of Nov. 11th, says that the production of pig-iron in Cleveland has increased from 52,000 tons per month to 164,000 tons, and that there has been more than an equivalent increase in the shipments.

Where the Gold Comes From.—The following compilations which we take from the "Commercial Bulletin," show the extent to which the principal European national banks have lost specie since the beginning of September. A good part of this loss has been a gain to this country:

	Specie on hand.	
Bank of England, Sept. 4	£34,658,000	
" " Oct. 22	32,258,000	
Decrease		£2,400,000
Bank of France, Sept. 4	£88,030,000	
" " Oct. 22	82,190,0.0	
Decrease		5,840,000
Bank of Germany, Aug. 30	£27,229,000	
" " Oct. 15	24,528,000	
Decrease		2,701,000
Bank of Belgium, Aug. 28	£3,894,000	
" " Oct. 16	2,495,000	
Decrease		1,399,000
Total decrease		£12,340,000

Interest on Government Bonds.—In view of the purchases by the United States Treasury of 6 per cent. bonds for the sinking fund, the following calculations will be found interesting:

A 4 per cent. bond, having 28 years to run, if bought

At 102¾ will pay 3⅞ per cent. interest to maturity.
At 104.31 " 3¾ " " "
At 108.88 " 3½ " " "
At 113.72 " 3¼ " " "
At 118.85 " 3 " " "

A 4½ per cent. bond having 12 years to run if bought

At 104.73 will pay 4 per cent. interest to maturity.
At 107.19 " 3¾ " " "
At 109.73 " 3½ " " "
At 112.34 " 3¼ " " "
At 115.02 " 3 " " "

A 6 per cent. bond having 2 years to run

At 104.79 will only pay 3½ interest to maturity.
At 105.28 " 3¼ " "
At 105.78 " 3 " "

The 6s of 1881 have only twenty months to run, and therefore at the present market price—say 106½, less 2.10 accrued interest, or 104 40 for principal, will pay only about 3¾ per cent. to maturity.

A 6 per cent. bond having only eighteen months to run at 104.37 for the principal, will pay the holder just 3 per cent. interest to maturity. It seems, therefore, to be greatly to the advantage of the holders of the 6 per cents of 1880 and 1881 to promptly accept the opportunity which the government now offers to sell their bonds to the Treasury, and reinvest in the 4s and 4½s, and thereby secure a long investment at a higher rate of interest.

On the other hand the government, which does not lend its money, can afford to pay as high as 109 for the 1880s and 112 for the 1881s. That is to say, if the 1880s run until maturity, the government will pay the principal of them (100) and the interest (9 per cent). If the 1881s run until maturity, the government will pay the principal (100) and the interest (12 per cent). It follows, therefore, that the government in its purchases for the Sinking Fund saves the difference between 109 and the price it pays for the 1880s, and the difference between 112 and the price it pays for the 1881s.—*N. Y. Evening Post.*

Silver Should Circulate.—After referring to the recent purchase by the Government of $10,000,000 U. S. bonds for the Sinking Fund, and paying for the same in gold coin, the "Post" of this city goes on to say that "this gold will release an equal amount of legal tender notes available for the payment to the South where currency is much needed. The purchase by the Treasury, together with the movement to enforce the Usury law, will also probably have the effect of restoring to the loan market money that has been withheld from it, and of deterring stock speculators from manipulating rates. There is general complaint on all sides of the scarcity of small notes. The Treasury contains many millions of silver dollars, and there will probably never be a better time to force them into circulation. It is true that they are burdensome and costly to move, but it is full time that the people of the country should become intimately acquainted with this class of currency, which it was represented the entire people clamored for. The effect of the silver law has been repressed now for many months, and as there is little prospect of its repeal, the sooner the people at large know what they have bargained for the better. For a time these dollars, although now worth only about 90 cents, will circulate at their legal tender value (100 cents). But as said, it is full time they were used for the purpose for which they were created. It is to be hoped therefore that requests on the Treasury for small notes will be met by shipments of silver dollars."

The Specie Movement.—"The specie imports at this port during the week ending November 7, amount in the aggregate to $5,472,511, of which $5,081,895 is gold, and $390,616 silver. The total from January 1 to that date is $63,992,418, consisting of $55,173,280 gold and $8,819,138 silver. From the 1st of August to November 10, inclusive, the importations foot up $56,927,564, including $8,223,010 American gold coin, $33,549,625 foreign gold coin, $13,483,598 gold bullion, $98,914 gold dust, $1,016,741 American silver coin, $600,887 foreign silver coin, and $14.799 silver bars. Of the total during this period, $34,690,957 was from the Continent, $17,439,761 from Great Britain, and $4,796,846 from West Indies and South America."—*N. Y. Bulletin.*

From the above it will be seen that over $55,000,000 of legal tender could, if the law permitted, have been replaced with gold without contracting the volume of the lawful money currency of the country.

Illinois Finances.—The Governor of this State will, on the 1st of January, call in a large part of the bonded debt of the State. The total debt was, on October 1, 1878, $802,312.59. There was called in and paid on January 1, 1879, $88,865.20, so that on the date last named the debt was $713,447.39. On the coming 1st of January there will be $400,000 available for the payment of the debt, but because of the fact that the entire debt is not due until some time in 1880 and 1881, less than $300,000 can be called in. From these figures it will be seen that after January 1, 1880, the State debt will be less than $500,000. The fund for the payment of the debt arises from the 7 per cent. gross earnings of the Illinois Central Railroad, which that corporation pays into the State Treasury in lieu of all taxes, and which will extinguish it as fast as it becomes due. As the earnings of the road increase, the revenue derived from that source will in time be sufficient to pay the entire expense of the State government.

New York City Finances.—Controller Kelly has issued his monthly statement of the city debt, under date of November 1, as follows: Warrants drawn in October, $15,159,536.70; total in 1879 to date $42,945,985.61; stocks and bonds issued, $20,066,789.60; total bonded debt less sinking fund on October 31, 1879, $125,137,651.24, against $113,416,403.49 on December 31, 1878. Cash on hand, $5,750,749.91. The debt of the annexed district, aggregating $1,036,614.58, is not included in the above.

The Government Buying its Own Bonds.—Proposals were opened at the New York Sub Treasury on Saturday Nov. 8th for the sale of $10,000,000 six per cent.

bonds to the Treasury, to be applied to the sinking fund, in accordance with the recent notice issued by Secretary Sherman. There were received in all thirty-four bids, aggregating $11,110,200, at prices ranging from 104.50 to 110. The result was immediately telegraphed to Washington. At 3 P. M. a despatch was received from Secretary Sherman rejecting all the offers and authorizing the assistant Treasurer to pay 106 for $10,000,000 of July bonds of 1881. The Sub Treasury was kept open until 4:30 when it was announced that the offerings amounted to $6,122,900. On the Monday following, before 2:30, the offerings exceeded by $600,000 the amount necessary to make up the $10,000,000.

Hartford, Ct.—On January 1, $300,000 of the bonds of the town of Hartford will mature. These bonds were issued in aid of the Connecticut Valley Railroad. The town has voted to issue new bonds in their place, the bonds to run twenty-five years, and bear 4½ per cent. interest. The bonds are to be duly advertised, and not to be sold below par.

General Transactions of the Bank of France.—The London "Banker's" Magazine" for November contains the report of the Censors to the General Meeting of the shareholders of the Bank of France, showing the transactions for 1878. The "General Transactions" and closing of the report, are as follows:

In 1877 the transactions of the bank amounted to		£380.423 320
In 1878 those of the 85 branches in operation amounted to	£209,077,644	
Those of the Central Bank, to	182,383,944	
Total		£391,461,589
Being an increase in 1878 of		£11,038,268
The ordinary expenses of the branches, excluding those of the conveyance of specie, amounting to £7,168, have been		£222,196
Those of the Central Bank, excluding £3,189 for the same purpose, and £21,448 for the tax on the dividends, have been		248,313
Total		£470,509
To this sum has to be added the tax of 3 per cent. paid on the dividends for the year 1878		21,449
Total		£491,958
Among these expenses the stamp duties on the circulation paid to the Government, contributions, tax on the dividends, etc., have amounted alone to the sum of		£136,472
The net profits realized by the branches have been		£94,095
Those of the Central Bank, deducting £396,566 of *rente*, and £27,800 taken from the reserves		209,599
Total		£303,694

The proportions for the transactions are as follows:

Transactions at the branches.....54 per cent.

Transactions at the Central Bank.....46 per cent.

With regard to the profits, their proportion amounts to:

31 per cent. at the branches.

69 per cent. at the Central Bank.

The net dividends, distributed in 1878, have amounted to £3 15s. 2d.

In spite of the reduced duty on the circulation of notes this distribution, which is similar to that of last year, has, as you have just seen, only been maintained at this figure through the assistance of a sum taken from your reserve fund.

This shows you, gentlemen, that the position of which we informed you in our preceding reports, has not been modified to any extent.

The present condition of commerce and industry in France, and the economic crisis which is overwhelming all European nations in general, with a force much to be regretted, unfortunately forbid us to assign any approaching termination to this state of affairs so eminently prejudicial to the progress of your business.

Under these circumstances a double task has been allotted to the bank, that o choosing with extreme care the paper discounted, and of enforcing the strictest economy in the bank itself and all its transactions.

In accordance with the sentiments of the Council, the authorities of the bank have undertaken this task.

The re-establishment of the discount department on a new basis, the more active impulse impressed on our operations, and the modifications introduced into the organization of various branches of business, have already produced satisfactory results. In fact, the amount of debt on account of bills over-due, has greatly diminished during last year's work, and if the liquidation can only be accomplished slowly, it does not necessarily promise any serious drawback for the future. On the other hand, a certain number of your expenses will have in the future to be greatly reduced, which, as far as concerns us, we shall not cease to use all our efforts to perform. We have reason to hope, that by persevering in this line of conduct, the bank will lessen, as much as possible, a position not made by itself, and to which it has to submit.

Since our last meeting the bank has received a severe blow; Monsieur Rouland, who governed it during fourteen years with equal tact, intelligence, and wisdom, has been suddenly taken away from us. His loss is irreparable, and the special benevolence of his disposition, combined with his extreme kindness, causes it to be all the more felt by all those who knew him. Commerce whose interpreters we are, has not forgotten the part he took in the liberality by means of which the bank averted the disastrous effects of the war and the commune. By paying him this mark of respect to-day, we are only acquitting ourselves of a debt of truly sincere and legitimate gratitude. Allow us, therefore, gentlemen, to unite our feelings of regret with those which have been so well expressed in the name of the Council.

By the late command of the President of the Republic, Monsieur Denormandie, Senator, has just been appointed in the place of Monsieur Rouland.

You know, gentlemen, the qualities which distinguish our new governor, and his rare merit. We congratulate ourselves on seeing him appointed to fill this eminent post, and we doubt not that the choice made of his high qualities, is, in all respects, a precious promise for the interests of the bank, which are, at the same time, those of the State, of the public, and yours.

Another very sad loss has befallen us, to our sorrow; that of our honored and revered senior member, Monsieur Darblay, on whom you conferred last year the title of honorary censor as a reward due to his long and honorable career. With him we have lost an excellent heart, and a superior intelligence, which we shall always remember. You will join us, gentlemen, at the present moment in paying a last tribute of respect to the memory of this indefatigable worker, of this good man, who, during twenty-four years gave to the committee of censors the useful support of his counsel and the assiduous assistance of his authority, his experience, and his enlightened mind.

The Post-Office Savings Banks of Great Britain.—A Parliamentary return just issued shows that the balance due to depositors in the Post-Office Savings Banks on 31st December last (including interest) was £30,411,563. There were funds and securities in the hands of the Commissioners for the Reduction of the National Debt and the Postmaster-General amounting to £31,189,325. Since the establishment of these Banks there has been received from depositors (including interest) a total sum of £111,014,219, and the amount repaid was £80,602,655. The number of accounts opened has been 5,783,529, and the number closed 3,890,771. The total cost of the Post-Office Savings banks from their establishment to the 31st December last was £1,647,962. The total number of transactions—*i.e.*, deposits and withdrawals—in the period was £49,892,161. The sums of £126,279 and £147,116 have been paid into the Exchequer out of the funds of the Post-Office Savings Banks in 1877 and 1878 respectively, being the excess of interest accrued during 1876 and 1877. The sum of £70,000, the cost of the site of the new savings bank building in Queen Victoria street, and a portion of the cost of the new building, have been paid for out of the accumulated funds of the Post-Office Savings Banks.—*Leeds (England), Mercury.*

The same paper in referring to the subject editorially, says: "The 'American Cyclopedia,' the concluding volume of which has recently been issued by D. Appleton and Co., of New York, in a very interesting and instructive article on savings banks generally, thus refers to the origin of Post-Office Banks:—

'In 1859 at the meeting of the Social Science Association at Bradford, a paper was read upon the subject by Mr. C. W. Sikes of the Huddersfield Banking Company, which attracted the attention of the Postmaster-General and others, and finally a plan, to a great extent based upon Mr. Sikes' suggestions, was matured by George Chetwynd and Frank J. Scudamore, with the co-operation of Sir Rowland Hill. This plan, embodied in a bill, was carried through Parliament by Mr. Gladstone, and became law on May 17th, 1861, and went into effect Sept. 17th. By December 31st, 1862, the total balance on hand was £1,694,724.' "

A Philanthropist's Opinion—Savings Banks of the United Kingdom.—Mr. Charles W. Sikes of the Huddersfield Banking Company, England, in writing to the editor of RHODES' JOURNAL in reference to the "*Safeguard Almanac" says: "The old country will never take her right place amongst the nations until her entire people have learnt the great lesson—the value of Thrift—your excellent almanac is doing so much to diffuse amongst the people of the United States."

Mr. Sikes writes in reference to the savings banks of the United Kingdom, that "a return recently issued shows, county by county, the amount due to depositors in trustee savings banks, for principal and interest, at the end of the last "savings bank year" on the 20th of November, 1878. It was a year of bad times, and comparing it with the preceding year, we find a decrease in Lancashire, Cheshire, and the West Riding, but an increase in Middlesex, some of the midland and southern counties. The decrease in England and Wales was about £100,000, and in Ireland £50,000. But these decreases are counterbalanced by increases in Scotland and the Channel Islands, and the result for the United Kingdom is a small increase in the total amount due to depositors. These figures relate only to trustee savings banks. The Post-Office savings banks increased the number of their depositors (or accounts open) from 1,791,240 at the end of the year 1877 to 1,892,756 at the end of 1878, and the amount due to depositors (for principal and interest) advanced from £28,740,757 to £30,411,563; and added to the amount in trustee savings banks the sum due to depositors is £74,667,453. It is satisfactory that on the two classes of savings banks taken together, the result of such a year as 1878 is an increase of 107 394 in the number of depositors, and of £1,688,010 in the amount due to them at the end of the year for principal and interest. The year's interest, credited to depositors, not far from £2,000,000, is a very important item in the savings banks accounts. In a recent case the representative of a deceased depositor, who placed £25 in a savings bank in 1824, had £127 to receive, the accumulation of compound interest added every year to the deposit having raised the amount due to more than five times the sum deposited. A large number of penny banks now pay their funds into a Post Office savings bank, for which they thus act as collectors; and an arrangement was sanctioned in March, 1878, by which managers of penny banks in remote villages may, by means of a system of free registered letters, assist depositors in penny banks to open, and afterwards continue, accounts in their own names at the nearest Post-Office savings bank without personal attendance. Many depositors like a Government receipt for their money. Last year a vender of cats'-meat—a man of business—in applying for an acknowledgement for a deposit which had failed to reach him in due course, took occasion to add, "The next time it occurs I shall write to the Queen." An attempt has been made to ascertain what classes of persons principally use the Post-Office savings banks, and with this view eighteen different offices were selected, embracing all varieties of locality, and 11,260 accounts were examined. It was found that 1,664 of these depositors were female servants, with balances averaging £14; there were 1,279 depositors of "no occupation," with £13 on an average; 1,236 artizans with £15 average; 1,186 minors over seven, with £7; and 397 minors under seven, with £5 average; 1,136 married women, with £21 average; 857 tradesmen, with £16 average; 675 clerks with £11 average; 579 laborers, with £21 average; 405 unmarried women, with £16 average; 297 male servants, with £22 average; 227 public officials, with £40 average; 225 soldiers and sailors, with £18 average; 220 professional men, with £20 average; 187 milliners, with £11 average."

*The Fifth Annual issue of the "Safeguard Almanac" will be ready for delivery early in January, 1880.

It will maintain its high standard as an advocate of INDUSTRY, ECONOMY, and general habits of THRIFT.

The sole aim of the "Safeguard Almanac" is to induce the people to practice these cardinal virtues; to teach them, at the same time, that Savings Banks are the only legitimate depositories for the savings of the people.

The Rights of a State.—The New Orleans "Picayune" thus editorially sums up the recent decision of Judge Woods, in the case of the city *vs.* Pickles *et al.*:

The opinion of Judge Woods in the case of the city of New Orleans against Thomas Pickels *et als.*, adds another to the series of decisions by which the U. S. Courts seek to guard their powers and their privileges against what they regard as attempted encroachments on the part of the States. The decision in the case of Pickles is a conspicuous illustration of this tendency, and another example of the futility of attempts by State legislation to limit the jurisdiction or the powers of the Federal Courts. Like all the opinions of that eminent jurist, Judge Woods' decision is closely logical in its reasoning, and clear as well as condensed in its language. In brief, its points are these:

Thomas Pickles having two judgments against the city of New Orleans, got out an execution and writs of garnishment in the United States Court, with the object of satisfying his judgments out of the proceeds of the sale of the Railroad franchise to the New Orleans City Railroad Company. The city applied for an injunction to restrain Marshall Wharton from executing these processes. The counsel for the city relied on a law of the legislature of Louisiana making a special exception in favor of the city as to the enforcement of judgments for money, and prescribing certain rules as to the manner in which such judgments against the city should be executed. Counsel for the city further maintained that a subsequent act of Congress made this law binding on the Federal Courts.

Judge Woods decides that the Louisiana act had never been adopted by a rule of his Court; that the statute of the United States which provides that judgment creditors in the Federal Courts shall be entitled to similar remedies, "by execution or otherwise, to reach the property of the judgment debtor, as are now provided by the laws of the State within which such Circuit or District Court shall be held in like causes," was not intended to limit the power of the Courts of the United States to enforce their judgments by execution by imposing on them the restraints and limitations provided in particular cases in the State law. Its purpose was, on the contrary, to enlarge and not to restrain the rights of the plaintiff and judgment creditor.

The suggestion that the States can in any manner limit or otherwise affect the powers of the Federal Courts is met by the declaration that if "the Legislature had seen fit to extend its provisions (the provisions of the statute in question) to the Courts of the United States, it would, as far as those Courts are concerned, have been inoperative and void.

New York, Lake Erie & Western.—It has been learned from a reliable source that the gross earnings of this road for the month of October exceeded $2,000,000, and the net earnings, after deducting operating expenses and all other disbursements, were, in round numbers $800,000. This is at the rate of $24,000,000 gross and $9,600,000, net per annum. The interest account for 1880 will be $3,967,878.16. In 1884 and thereafter, when all bonds bear interest, the interest account will be $4,314,884.68, other charges and rentals now paid (provided that no reduction in these latter items is effected) will amount to $1,626,080, making the total fixed charges per annum $5,940,966.68. It is not probable that the results for October can be duplicated each month, although we may, with reason, look for a comparative increase month by month for the whole of the present fiscal year of this road. But making the month of October a basis, we find that after deducting from the net earnings of $9,600,000 the fixed charges of $5,940,966.68, there is remaining $3,659,133.32 applicable to dividends. The capital stock consists of 771,077 shares common and 81,467 preferred. The preferred stock is entitled to 7 per cent. dividend, which would call for $570,269, leaving $3,088,864.22 for the common stock, or over 3⅘ per cent. This may be called a rose-colored view, and doubtless in some respects it is, but if our information is correct this is what this road has done in October, and it will certainly continue to do better in the future than it has in the past. This statement no one familiar with railroads will doubt.

Silver and Gold for the Mints.—The Treasury Department on November 11 purchased 365,000 ounces of fine silver for the Philadelphia and San Francisco Mints.

Five hundred and fifty-one thousand ounces of standard gold bullion was received from Europe the same date, and was ordered from the Assay Office in New York to the Philadelphia Mint for coinage into gold coins. The value of the bullion is about

$10,250,000. The Director of the Mint has decided that until further orders the coinage of the United States Mints will be confined to eagles and half eagles.

John Bonner's Company.—Robert L. Cutting, as Receiver of the Bankers' and Brokers' Association, New York, which suspended in December, 1877, has brought a large number of suits against the persons appearing upon the books of the corporation as stockholders, to recover an assessment of $30 per share laid for the purpose of paying the creditors. The capital stock of the company was $1,000,000, in shares of $100 each, of which but $50 was paid in, so that under the law each stockholder was liable to the amount of his stock, and to pay for the full stock standing in his name. The first of these suits, being that against William G. Damerel, was tried recently in Supreme Court, Circuit, before Judge Barrett. It was shown that though ten shares of stock stood in Mr. Damerel's name on the books of the company he had, in fact, sold the stock to John Bonner & Co. nine years ago, and that Bonner, who was President of the Association, had at the time instructed the Secretary not to make the transfer upon the books. Judge Barrett directed a verdict for the defendant.

The Elevated Railroad Suit.—The text of the decision in the case of Rufus Story against the New York Elevated Railroad Company, which suit involved the liability of the elevated railroad for damages to adjacent property, has appeared. Judge Beach in rendering the decision affirmed the judgment of the court below, and said:

"The opinion of the lamented judge before whom this case was tried at Special Term, is very learned and elaborated. It contains a careful examination of the various points presented, and I coincide in its conclusions without attempting to reproduce the arguments and the authorities by which they are maintained. I am of opinion that the original grant under which the plaintiff claims, does not convey a fee to any part of the street upon which the railway of the defendants is located. It seems plain to me that it is held by the city in trust for the general public. Doubtless the plaintiff is entitled to the use of the street in common with others, and may complain if unlawfully subjected to special damages. The case of People against Kerr (27 N. Y., 188), sustained by Kellinger against Second Street Railroad Company (50 N. Y., 209), seems conclusive upon the proposition that plaintiff, as a building owner, having no freehold interest in the street, is not entitled to compensation on account of its appropriation to public use because of resulting inconvenience to the enjoyment of his property. If the position he maintains be that the fee of Front street remains in the city, as I conclude it does, I am unable to see any ground or principle upon which the plaintiff is to be entitled to the relief he demands. The judgment should be affirmed upon the opinion given by the court below."

The decision probably explains the recent rise and strength in the market price of the various elevated railroad stocks.

Wanting a National Bankrupt Law.—At a special meeting, Nov. 12, of the Newburyport (Mass.) Shoe and Leather Association to consider the subject of the National Bankrupt law, resolutions were unanimously adopted stating that as "the repeal of the National Bankrupt law has thrown the collection of debts under the jurisdiction of State courts, with all their conflicting laws, the mercantile and manufacturing interests of the country deem it a pressing necessity that a modified National Bankrupt law should be passed by Congress."

Devices of the Stockbrokers.—In referring to the New York money market the "Times" of Nov. 13 says that "the fact that there are still $17,000,000 of called bonds on which interest stopped last July in the hands of the public, is regarded by many persons as explanatory of one of the reasons why money has recently been stringent when there was apparently no adequate cause why it should be so. It is believed that the big gamblers deliberately withheld that amount of bonds from redemption for the purpose of locking up an equal sum of coin in the Treasury vaults, and thus preventing borrowers from obtaining the benefit of it, their ultimate object being to shake small holders out of the market, and thus obtain stocks themselves at lower rates than those current. Other dodges of the same fraternity have heretofore been exposed in these columns. The other fact, simultaneously reported, that $7,000,000 of similar bonds are allowed by some of the national banks to remain on deposit in the Treasury, is severely commented upon in the same connection, and there are not wanting those who assert that certain banks have further assisted the gamblers against the public by loaning money on called bonds, which are in the nature of sight drafts on the Treasury. A demand is made that the Controller of the Currency hold another investigation."

Missouri Pacific.—Jay Gould has bought a controlling interest in this road. The price paid was $900 per share. The total capital being only $800,000. The funded debt is $15,828,000. The road extends from St. Louis to State line of Kansas, 283.5 miles, with a branch from Kirkwood, Ind., to Carondelet, Mo., thirteen miles. It leases Osage Valley & Southern Kansas railroad, 25; St. Louis & Lexington Railroad, 55.25; Missouri River Railroad, 25.25; Leavenworth, Atchinson & Northwestern Railroad, 21.50.—Total length owned and leaased, 423.50. This road is the successor of the Pacific Railroad of Missouri, which was chartered March 12, 1849, and sold under foreclosure of the third mortgage September 6, 1876. The present company was created October 23, 1876. The third mortgage bondholders have a suit pending against the reorganized company, arising out of that sale, and it is understood that Mr. Gould assumes his share of the risk involved in the outcome of this suit. The purchase is believed to be in the interest of the Wabash and Kansas City & Northern combination, and will practically add about 423 miles to the lines now composing the Wabash, St. Louis & Pacific Railway. For some distance the Missouri Pacific Railroad runs parallel with the St. Louis, Kansas City & Northern Railroad, and recently a pooling arrangement was entered into by the two lines for a division of the competitive business.

Central Pacific.—This Company has made a cash payment to the United States Treasury of $220,520, which payment, with their credits for government transportation, is $536,291, or 25 per cent. of the net earnings of the subsidized portions of the lines.

Baltimore & Ohio Railroad.—There have been placed on the New York Stock Exchange list the first mortgage bonds on the Parkersburg branch, extending from Parkersburg to Grafton, W. Va., 104 miles. The bonds bear interest at the rate of 6 per cent. per annum, are payable in 1919, and their authorized issue is $3,000,000. The mortgage under which they are issued is the first mortgage on the road, except a mortgage previously executed by the Northwestern Virginia Railroad Company in 1855 (and of the bonds secured by the latter mortgage only $140,000 remain unpaid), the payment of which has been assumed and guaranteed by the Baltimore & Ohio Railroad Company.

New Securities at the Stock Exchange.—The Governing Committee of the New York Stock Exchange have added the following securities to the active lists: Placed on the regular list—Philadelphia & Reading Railroad Company common stock, $32,726,375.28; preferred stock, $1,551,800; bonds, $72,501,027.30. Indianapolis, Bloomington & Western Railroad first mortgage preferred bonds, $1,000,000; first mortgage bonds, $3,500,000; second mortgage bonds, $1,500,000. Baltimore and Ohio Railroad Company first mortgage 6 per cent. bonds, Parkersburg branch, $3,000,000. Oregon Railway & Navigation Company bonds, $6,000,000. Chicago & Northwestern Railroad Co. sinking fund 6 per cent. bonds of 1879, $2,400,000. Chicago, Milwaukee & St. Paul Railroad Company bonds of the Davenport & Northwestern Railroad Company, $3,000,000. Michigan Central Railroad Company six per cent. bonds of 1909, $1,000,000. St. Paul Minneapolis & Manitoba Railroad Company first mortgage bonds, $8,000,000, and second mortgage bonds, $8,000,000. Excelsior Water & Mining Company common stock, $10,000,000. Placed on the free list: Louisville, New Albany & Chicago Railroad Company stock, $3,000,000. St. Paul, Minneapolis & Manitoba Railroad Company stock, $15,000,000. Wabash, St. Louis & Pacific Railroad Company common stock, $20,000,000, and preferred stock, $20,000,000. Oregon Railway & Navigation Company stock, $6,000,000. Indianapolis, Bloomington & Western Railway Company stock, $2,500,000. Placed under the head of miscellaneous: Boston Land Company stock, $800,000. Placed under the head of income bonds: Indianapolis, Bloomington & Western Railroad Company income bonds, $1,500,000. The Philadelphia & Reading Company have named the Farmers' Loan & Trust Company as their local transfer agents.

Michigan Central.—The following new bonds of this company have been admitted to the New York Stock Exchange list: Six per cent. bonds of 1909, of which the amount authorized to be issued is $1,500,000. The bonds are secured by a first general mortgage on the Grand River Valley Railroad, extending from Jackson to Grand Rapids, Mich., a distance of 82.4 miles, and all its property and franchises. Of the issue, $1,000,000 bonds are held in trust by the Union Trust Company of New York for the retirement of the outstanding bonds of the Grand River Valley Railroad Company of the same amount, maturing in 1885.

The Gigantic Stock Speculation.--The financial week proper, at the New York Stock Exchange comes to an end with the close of business every Friday afternoon. In its summary of the business transacted in Wall street for the week ending with November 21, the daily "Tribune" says: "The week will be memorable at the Stock Exchange for the culmination and liquidation of the most gigantic stock speculation that has ever been witnessed in this country.

After an almost uninterrupted advance of eight months, during which the prices of some stocks have risen from 2 and 3 to anywhere between 25 and 75, there has been a sudden and rapid decline, ranging from 10 to 30 per cent. Speculators with small and some with large margins have had their stocks sold out because of their inability to protect them with additional deposits, and in many instances the profits of the year have been lost in forty-eight hours. Yet it is creditable to the Stock Exchange that this tremendous shrinkage has been sustained without a single important failure or default, so far as the members of the Board are concerned.

That some of them have lost money by the failures of their customers is undoubtedly true, but that loss has not been put upon the persons with whom the brokers had their contracts. The first two days of the week were marked by as strong markets as those of any days that had preceded them. On Tuesday there was a slight decline, and some hesitation in the speculation was observed. Wednesday the decline was more marked, and the market that night closed so feverish and unsettled that the uneasiness of operators generally was plainly apparent. Thursday the decline continued, simply because of the sales of stocks by commission houses on orders from customers in and out of town, who were forced or frightened into selling; notwithstanding this, it is certain that some of the leading operators were buyers all day.

That night the market closed unsettled after a sharp rally from the extreme lowest prices of the day, but there was a general belief that the worst for the present was over, and that prices would speedily rebound. But this belief was doomed to a great disappointment. Yesterday's (Nov. 20) further decline brought by mail and telegraph this morning an avalanche of orders to "sell all my stocks," before which it was simply impossible for the few buyers to stand and maintain prices, even if it had been their disposition to do so, which may well be doubted when the fact was developed that the majority of holders were sellers at any figures. Hence there was a further drop of 19¾ per cent. in the price of Delaware and Hudson in almost as many minutes, of 13 per cent. in Union Pacific, of 13 per cent. in Iron Mountain, and as rapid but smaller declines in other stocks. Seemingly the panic—for such it was to-day—has spent itself for the want of additional material. There is little doubt that the decline of to-day brought to market all the stocks that were held on light margins, and probably there is no more of that kind of stuff with which to feed the excitement. There is no doubt that the same operators who were large buyers yesterday have continued their purchases to-day, and at prices much more satisfactory than they expected. So without regard to the merits of this or that particular stock, it seems probable that the leading speculators are now or are about ready to be again on the "bull" side of the market, and to take a cheerful view again of the future greatness of their country.

The liquidation may be expected to have an important influence upon the immediate future of our local money market, although with the large demands made upon us by the South and West to move their crops, it is perhaps unreasonable to look for lower rates for loans than about 7 per cent. for the remainder of the year; but it is not likely that after a day or two there will be any commission demanded or paid. The business of the week amounts to the unprecedented figures of 3,410,044 shares—figures that probably will not be equalled again in months if in years."

The National Bank Note Circulation.

Statement of the Controller of the Currency, showing by States the amount of National Bank circulation issued, the amount of Legal-Tender Notes deposited in the United States Treasury to retire National Bank circulation, from June 20, 1874, to November 1, 1879, and amount remaining on deposit at latter date.

STATES AND TERRITORIES.	*Addition'l circulat'n iss'd since J'ne 20, '74*	Legal-Tender Notes Deposited to Retire Nat'l B'k Circulat'n since June 20, '74.			*Leg'l t'd's on deposit with U. S. Treasurer at date.*
		For redempt'n of notes of liquidati'g banks.	*To retire circulat'n und'r Act J'ne 20, '74*	*Total Deposits.*	
Maine	$1,461,180	$317,000	$600,000	$917,000	$225,051
New Hampshire	505,365	72,997	55,800	128,797	39,589
Vermont	1,672,310	169,097	1,069,340	1,238,437	137,950
Massachusetts	17,181,265	234,800	6,682,900	6,917,700	606,231
Rhode Island	1,345,550	32,350	735,385	767,735	76,742
Connecticut	2,426,500	65,350	1,555,830	1,621,180	299,281
New York	19,044,685	2,135,398	19,198,850	21,334,248	2,065,338
New Jersey	1,702,665	151,660	1,517,280	1,668,940	345,151
Pennsylvania	9,063,650	1,16[illegible],226	6,097,071	7,257,297	974,605
Delaware	173,275	......	......	......	......
Maryland	923,560	166,600	1,646,380	1,812,980	95,005
District of Columbia	455,500	407,664	427,500	835,164	30,186
Virginia	719,500	908,369	880,510	1,788,879	284,171
West Virginia	63,370	731,060	270,000	1,001,060	120,855
North Carolina	1,217,660	128,200	1,012,585	1,140,785	205,126
South Carolina	59,200	....	953,380	953,380	37,005
Georgia	470,850	287,725	437,675	725,400	9[illegible],360
Florida	45,000	......	......	......	......
Alabama	207,000	......	139,500	139,500	44,813
Mississippi	......	......	......	......	366
Louisiana	1,284,110	345,750	745,000	2,745,000	230,428
Texas	116,100	10,000	229,340	239,340	1,575
Arkansas	114,000	......	144,000	144,000	7,352
Kentucky	3,599,930	629,867	1,441,933	2,071,800	393,645
Tennessee	534,800	280,901	533,859	814,760	113,351
Missouri	614,200	998,510	3,607,410	4,605,920	755,004
Ohio	2,429,580	1,538,754	2,949,787	4,488,541	1,050,614
Indiana	2,894,080	1,222,797	5,488,483	6,711,280	1,740,508
Illinois	2,074,575	1,729,934	6,377,746	8,107,680	1,055,153
Michigan	1,620,310	364,500	2,114,995	2,479,495	439,375
Wisconsin	627,580	626,860	878,439	1,505,299	333,222
Iowa	1,290,400	811,669	1,554,955	2,366,624	455,854
Minnesota	1,017,800	420,095	1,316,445	1,736,540	283,700
Kansas	147,600	781,721	190,550	972,271	262,661
Nebraska	67,500	45,000	188,080	233,080	9,295
Nevada	......	......	......	......	2,108
Colorado	455,400	135,083	149,400	284,483	27,407
Utah	89,900	161,191	196,800	357,991	20,272
Montana	62,100	72,300	45,000	117,300	42,850
Washington	135,000	......	......	......	......
New Mexico	27,000	......	......	......	......
Dakota	99,000	......	......	......	......
California	297,000	......	......	......	......
Legal-tenders deposited prior to June 20, 1874.				3,813,675	
Totals	$78,366,060	$7,443,428	$72,786,458	$94,043,561	$12,907,199

JOHN JAY KNOX,
Controller of the Currency.

The National Bank Note Circulation.

Statement of the Controller of the Currency, showing by States the amount of National Bank circulation issued, the amount of Legal-Tender Notes deposited in the United States Treasury to retire National Bank circulation, from June 20, 1874, to December 1, 1879, and amount remaining on deposit at latter date.

STATES AND TERRITORIES.	*Addition'l circulat'n iss'd since J'ne 20, '74*	Legal-Tender Notes Deposited to Retire Nat'l B'k Circulat'n since June 20, '74. *For redempt'n of notes of liquidati'g banks.*	*To retire circulat'n und'r Act J'ne 20, '74*	*Total Deposits.*	*Leg'l t'd's on deposit with U. S. Treasurer at date.*
Maine	$1,461,180	$317,000	$600,000	$917,000	$224,931
New Hampshire	505,365	72,997	55,800	128,797	38,509
Vermont	1,681,310	169,097	1,069,340	1,238,437	137,220
Massachusetts	18,511,545	234,800	6,799,900	7,034,700	707,641
Rhode Island	1,497 570	32,350	735,385	767,735	73,882
Connecticut	2,485,460	65,350	1,645,830	1,711,180	3-0,751
New York	19,695,485	2,135,398	19,198,850	21,334,248	2,012,920
New Jersey	1,702,665	151,660	1,517,280	1,668,940	335,571
Pennsylvania	9,299,910	1,160,226	6,097,071	7,257,297	962,675
Delaware	194,275	......	......	......	......
Maryland	1,091,810	166,600	1,646,380	1,812,980	85,235
District of Columbia	455,500	407,664	427,500	835,164	30,186
Virginia	719,500	908,369	880,510	1,788,879	282,661
West Virginia	63,570	731,060	270,000	1,001,060	120,855
North Carolina	1,217,660	128,200	1,012,585	1,140,785	200,276
South Carolina	59,200	....	953,380	953,380	36,165
Georgia	470,850	287,725	437,675	725,400	95,060
Florida	45,000	......	......	......	......
Alabama	207,000	......	139,500	139,500	41,753
Mississippi	......	......	......	......	366
Louisiana	1,284,110	645,750	2,099,250	2,745,000	224,868
Texas	136,340	10,000	229,340	239.340	1,575
Arkansas	144,000	......	144,000	144,000	6,432
Kentucky	3,599,930	629,867	1,441,933	2,071,800	391,765
Tennessee	534,800	280,901	533,859	814,760	112,181
Missouri	623,760	998,510	3,607,410	4,605,920	754,094
Ohio	2,479,080	1,538,754	2,949,787	4,488,541	1,036,144
Indiana	2,935,130	1,222,797	5,668,483	6,891,280	1,895,418
Illinois	2,211,065	1,729,934	6,400,246	8,130,180	1,065,823
Michigan	1,661,010	364,500	2,114,995	2,479,495	435,195
Wisconsin	639,830	626,860	878,439	1,505,299	329 622
Iowa	1,380,400	811,669	1,554,955	2,366,624	455,614
Minnesota	1,017,800	420.095	1,316,445	1,736,540	281,768
Kansas	147,600	781.721	190,550	972,271	262,661
Nebraska	67,500	45,000	188,080	233,080	9,295
Nevada	......	......	......	......	2,108
Colorado	455,400	135,083	149,400	284,483	27,407
Utah	134,900	161,191	196,800	357,991	20,272
Montana	62,100	72,300	45,000	117,300	42,850
Washington	135,000	......	.. .	......	......
New Mexico	45,000	.....	......	......	......
Dakota	99,000	......	......	......	......
California	297,000	......	......	......	... ..
Legal-tenders deposited prior to June 20, 1874.				3,813,675	
Totals	$81,455,410	$17,443,428	$73,195,958	$94,453,061	$13,121,779

JOHN JAY KNOX,
Controller of the Currency.

STATEMENT of the Controller of the Currency on December 1, 1879, showing the amounts of National Bank Notes outstanding at date, and the increase or decrease:

Amount outstanding at date	$338,618,658
Increase during the last month	2,884,360
Increase since January 1, 1879	16,.95,804

RHODES' JOURNAL RECORD OF DEATHS.

Solomon A. Smith, a well known banker, and president of the Merchants' Savings Loan and Trust Company, of Chicago, died November 25, 1879, aged sixty-four years.

He was one of the most prudent financiers in the West, and the absence of his conservative influence will be felt throughout that section, as well as in Chicago, the more immediate field of his business career.

E. H. Sawyer, President of the East Hampton (Mass.) Savings Bank, and one of the most prominent business men in that section of the State, died November 26, 1879, aged ninety years.

He was the treasurer of the Niashawannuck Manufacturing Company and a director of several other local manufacturing companies. He was also a trustee of the Williston Seminary at East Hampton, and of the Mount Holyoke Female Seminary at South Hadley. No man residing in the Connecticut Valley displayed a greater public spirit.

William McConkey, President of the First National Bank, of Wrightsville, Pa., died Nov. 21, 1879, in the sixty-second year of his age.

When the bank was organized, about sixteen years ago, he was elected its President, and he held the position up to the time of his death. In 1854 he was elected a member of the Pennsylvania House of Representatives from York county, and a few years ago he was a candidate for Congress. During his long residence in Wrightsville, he occupied a prominent place in the community, no enterprise seeming to be thought complete without his participation. By his active business enterprise, his unostentatious charities, and his public spirit, he won for himself the esteem and regard of the entire community.

I. Smith Homans, publisher of the *Banker's Magazine*, died November 27th, 1879, aged forty-six years.

Mr. Homans was well-known as a most estimable citizen and upright business man. In common with its large circle of friends, we extend our heartfelt condolence to the management of our valued contemporary.

We are pleased to learn that the death of Mr. Homans will cause no change in the management of this publication, as for some time past Mr. Benjamin Homans has been in charge of both its editorial and business departments, and will so continue.

Bank Changes, New Banks, Etc.

ARKANSAS.—Hot Springs Bank and Safe Deposit Co., Hot Springs; John B. Roe President; Van L. Runyan, Cashier.

Commercial Bank, Texarkana; capital $25,000; M. V. Flippin, President; H. N Samstag, Cashier.

CALIFORNIA.—Mono County Bank, Bodie; Robert Barton, President, in place of O H. LaGrange.

Bank of Alameda, Alameda; now First National Bank.

COLORADO.—Rocky Mountain National Bank, Central City, Joshua S. Raynolds President, in place of H. M. Teller; T. H. Potter, Cashier, in place of J. S. Raynolds

Merchants' National Bank, Georgetown; J. S. Raynolds, Cashier, in place of J. Raynolds.

Merchants' & Mechanics' Bank, Leadville; L. M. Smith, President, L. J. Smith Cashier.

Merchants' & Miners' Bank, Rosita.

CONNECTICUT.—Uncas National Bank, Norwich; Charles M. Tracy, Cashier in place of E. H. Learned.

Seth E. Thomas, Thomaston.

West Killingly; P. O. address, Danielsonville.

DAKOTA.—Bank of Grand Forks, Grand Forks; S. S. Titus Cashier.

GEORGIA.—Blun & Demere, Savannah; now Henry Blun.

ILLINOIS.—German American Bank (Gardner Reising & Co.), Aurora.

Bank of Bement, Bement.

Schlafy Brothers, Carlyle.

Kingman, Blossom & Co., Peoria.

Farmers' Bank, Yates City; James McKeighan, President; James M. Taylor, Cashier.

INDIANA.—Hamilton National Bank, Fort Wayne; No. 2439; capital $200,000; Charles McCulloch, President, John Mohr, Jr. Cashier.

Citizens' Bank, Monticello; George W. Robertson, Cashier.

Vermillion County Bank, Newport; closed.

People's Bank, Portland; Walter M. Haynes, Cashier, in place of W. C. Johnson.

National Bank of Salem; now Bank of Salem, same officers.

First National Bank, South Bend; Lucius Hubbard, President, in place of J. R. Foster.

Washington National Bank, Washington; John N. Breen, President, in place of M. L. Brett.

IOWA.—Bank of Casey (William Ivers) and Exchange Bank (Burns & McFarland), Casey; succeeded by Savage & Crawford.

Clayton County Savings Bank, McGregor; winding up.

Kalbach, Sons & Co., New Sharon.

KANSAS.—Bank of Blue Rapids City. Blue Rapids.

Bank of Lyons, Lyons; Edwin A. Deupree, Cashier.

Riley County Bank, Manhattan; William T. Elliot, President, in place of S. French.

Whitehill & Morse, Peabody; now Whitehill, Morse & Weidlein.

Rice County Bank (Davis & Taber), Sterling.

LOUISIANA.—Townsend & Lyman; now G. Townsend.

MASSACHUSETTS.—Cape Cod National Bank, Harwich; Prince S. Crowell, President, in place of J. K. Baker.

National Pemberton Bank, Lawrence; J. A. Perkins, Cashier, in place of J. M. Coburn.

MICHIGAN.—Edsell & Peck, Otsego; now W. C. Edsell & Son.

Bank of Oxford (G. S. Holbert), Oxford.

MINNESOTA.—Pipestone County Bank, Pipestone; Charles C. Goodnow, President, James E. Craig, Cashier.

MISSOURI.—Farmers' Bank of Cameron, Cameron. Louis DeSteiger, President, in place of H. A. McCartney, deceased.

MONTANA.—Raymond, Harrington & Co., Virginia City.

NEBRASKA.—Grimes, Dinsmore & Co., Aurora.

State Bank, Crete; George D. Stevens, Cashier, in place of J. P. Clarey.

Grimes, Dinsmore & Co., Edgar.

First National Bank, Fremont; Manley Rogers, Cashier, in place of E. H. Rogers.

C. R. Jones & Co., Juniata.

Oakland Bank (Drury, Ashley & Co.), Oakland.

F. McGiverin, Stanton.

NEW JERSEY.—First National Bank, Hackensack; in liquidation.

Vineland National Bank, Vineland; Willis T. Virgil, Cashier, in place of T. H. Vinter.

NEW YORK.—First National Bank, Amsterdam; James A. Miller, President, in place of J. McClumpha, Jr.

A. J. Dow & Son, Randolph; dissolved; now Dow & Co., Bradford, Pa.

William J. Ashley, Rochester.

OHIO.—First Fational Bank, Monroeville; No. 2438; O. W. Head, President, H. P. Stentz, Cashier; $50,000 capital.

Exchange Bank (Davis, Grim & Stentz), Monroeville; succeeded by First National Bank.

E. W. Bond & Co., Willoughby.

PENNSYLVANIA.—Workingmen's Savings Bank, Allegheny; Chas. W. Dahlinger, Cashier, in place of G. L. Walter.

Dow & Co., Bradford.

Lineville Savings Bank, Lineville Station; G. W. Baldwin, President, R. W. Baldwin, Cashier.

TEXAS.—Miller Brothers, Belton; now L. Burr & Co.

VIRGINIA.—Bank of Bedford, Liberty; $25,000 capital; Orville P. Bell, President, Thomas J. Matthews, Cashier.

Lynchburg National Bank, Lynchburg; David E. Spence, President, in place of T. C. S. Ferguson.

WISCONSIN.—First National Bank, Boscobel; Closing; succeeded by A. J. Pipkin.

THE BANKER'S INDEX.

The Money Market and Financial Situation.

NEW YORK, December 1, 1879.

The bull movement in the stock market was brought to a culmination during November. When our review for the month of October was written, the tendency of the market was upward, notwithstanding the stringency in money, which was brought about by natural and artificial means, and the buying of substantial and fancy properties was very confident, the purchasers being in most cases those outside speculators who had been successful in previous operations, and sought by new ventures to augment their profits. There were not wanting, even at the close of October, indications that the speculation was being carried on at too rapid a pace. The enormous business in stocks and the operations in the leading staples were making extraordinary demands upon the resources of the banks, and, by the end of October, the twenty-five per cent. of reserve to deposits which the national bank act requires shall be maintained, had been so far encroached upon that, taken collectively, the national and the State institutions embracing the associated banks of this city, were $311,800 below the twenty-five per cent. rule, and by November 8th the deficiency was $671,225. During October the Treasury had been compelled, by reason of the reduction of the currency balance, to pay out coin in settlement of current demands, and toward the close of that month the clearing house balances were adjusted with gold coin instead of legal tender or national bank notes. The drain of currency to the West and the South for crop purposes was augmented by this enforced action of the Treasury Department, and thus the legal tenders were reduced about $10,000,000 during October, and by the close of November this item stood at $16,771,700, against $38,093,500 on October 4th. The coin reserves of the banks were increased in about the same proportion in the month of October, the gain being $9,526,200, but the coin was available mainly as a bank reserve, the demand from all quarters being for paper, as more convenient for transportation. Thus the total reserve remained almost at a stand, while the enormous speculation in stocks and staples was daily increasing, and causing a severe strain upon the limited resources of the banks, as was shown by the increase in discounts from $266,364,300 on October 4th, to $271,238,600 on November 1st. Gold continued to flow into the country from Europe, but the facilities at the assay office were insufficient to make these imports promptly available in the market, although the Treasury Department placed at the disposal of the assay office all the gold that was required to meet payments for the bullion deposited as fast as the value of the same could be ascertained.

We have thus referred to the condition of affairs toward the close of October because they had an important bearing upon the situation during the month under review. The leading operators were far-sighted enough to see that the wild speculation in stocks must soon receive a check, and those of them who had an opportunity adroitly withdrew from the market, but still prices advanced. An unhealthy impulse was imparted to the speculation early in November, by the announcement by the Secretary of the Treasury, on the 3d, that he would on the 8th receive proposals for the purchase of $10,000,000 six per cent. bonds for the sinking fund. This stimulated the purchase of stocks by outside speculators, who argued, not without reason, that the payment of this large amount of money would immediately augment the reserves of the banks, would defeat the plans of those of the leading operators who were seeking to maintain stringency in the money market for the purpose of breaking down prices f stocks, and would have the effect of advancing all the active shares on the list.

During the first week in November the market was influenced more or less by reports regarding the amount of the bonds that would be offered to the Treasury on the 8th inst., but the tendency of leading stocks was generally upward. The offers were opened at noon on Saturday, and the aggregate was found to be over $11,000,000; but when the Secretary of the Treasury was informed of the average prices, he promptly rejected all the offers as being too high, and this news caused a sharp decline in the stock market. Before the close of business, however, a telegram was received from the Secretary instructing the Assistant Treasurer to accept all six per cents of 1881 that holders were willing to sell at 106. This had the effect of rallying the market in the late trade.

On Monday, the 10th, by noon, the whole amount of bonds called for by the Secretary had been sent into the sub-Treasury, and in a few days payment was made for them, the coin going almost directly into the banks. These prompt payments by the Treasury made money comparatively easy for the time, stimulated the speculation in stocks, and during this, the second week in November, about the highest prices of the year were reached for the leading favorites. But the movement soon culminated. While the outside speculators were buying confidently, expecting that the market would continue to rise; while they were being misled by industriously circulated reports that certain stocks would advance many points above those at which they were then selling, the leading operators were again unloading, and the market was so strong excited that it and took the bulk of these stocks without suffering any important decline. The books of the New York, Lake Erie & Western Railway Company had closed toward the last of October for the annual election, and this stock and the bonds of the Company were sharply advanced on the report that Mr. Vanderbilt would be found to have the control. The coal companies gradually advanced the price of their product, and rumors were circulated that there was likely to be such a scarcity of coal as would compel a further rise in price. Then came stories that the business of some of the companies had been so good, notwithstanding the low prices at which coal had ruled during the greater part of the year, that dividends would soon be paid. Upon these reports the coal stocks were rapidly moved upward, and found buyers at the top figures. Mr. Gould purchased the controlling interest in the Missouri Pacific road from Mr. Garrison. At the election for directors of the Hannibal & St. Joseph Railroad Company, Messrs. Gould and Sage were chosen directors, and the former bought largely of Southwestern Railroad properties. These facts stimulated the speculation in stocks of roads in that section of the country, buyers of the shares were confident that there was a brilliant future for all these lines, and the Southwesterns were for the moment the favorites. The Granger stocks steadily advanced, the Telegraph shares improved, and the stocks of the Trunk line roads moved upward, keeping pace with the gain in the other properties.

The outsiders bought so largely and the speculation in stocks was so wild that conservative bankers began to make an effort to check the movement. As early as the middle of September the market price of stocks and bonds dealt in at the New York Stock Exchange had been increased over $500,000,000 compared with the market value at the corresponding period in 1878, and the greatest advance was in stocks and bonds of roads which had been reconstructed after having defaulted immediately following the panic of 1873. These stocks were classed as "fancies," and bankers generally declined to accept them as collateral for loans when offered by brokers. The outside speculators in the market were among the largest traders in these "fancies;" they had carried them upward after the prices had already been advanced to points far above their intrinsic value by the original purchasers of the properties, and they expected to be able to trade in them upon margins with the same facility that they could speculate in more substantial stocks.

As money became active from natural or artificial causes, the brokers labored under increased difficulties in borrowing money, and soon found that even in the Stock Exchange lenders of money discriminated against 'fancy' stocks as collateral. The broker's customers were warned of the trouble they were likely to make for themselves, but many were allured onward by "points" freely circulated that even those of the "fancies" which were apparently of the least intrinsic value would be advanced much furtherbefore the movement in them culminated. Some brokers took the precaution at this time to notify their customers that they would not buy or sell upon margin the stocks known as "fancy," and a few went so far as to demand twenty per cent. margin upon the more substantial properties. This action doubtless hastened the liquidation which it was seen must be the result of the wild speculation of the previous month or two.

About the 15th of November the first warnings of the approaching crash were given by a sharp drop in the market. It immediately rebounded, and the impression gained ground that some of the leaders who had sold stocks were seeking to get them back again, and that whether they succeeded or not, the market would continue to rise. On Monday, Tuesday, and Wednesday following, there were sharp breaks in the favorites, followed each day by a recovery, but as each successive attack was made the effect of the persistent hammering was seen in a more feeble rebound. On Thursday, the 20th, the efforts of the bear leaders were more vigorous, and prices fell heavily. The outside speculators became alarmed. Orders to sell came in by telegraph and mail from every quarter, and although there was no panic in the Exchange, the speculators who had been caught by the decline appeared to lose their judgment. In some instances the fall was so rapid that even liberal margins were wiped out, brokers called in vain upon their customers for more margin, and stocks were thrown upon the market to bring any price that could be obtained for them. Friday morning brought in another flood of orders to sell, and there was a further drop in prices to the lowest figures of the month. During the morning the tone was panicky, and had there been a failure of any magnitude the results might have been disastrous. But fortunately there were no failures, mainly for the reason that the brokers had for some short time previously been confining themselves strictly to the execution of commissions for their customers, and the latter were the parties who were suffering loss by the decline in values. By one o'clock the downward movement was arrested. The market was turned gradually upward, and after the delivery hour had passed, when it was seen that there were no defaults among the brokers, the rise was more rapid and the market closed strong, to the great relief of all concerned.

On Saturday morning the market was whirled upward through the efforts of the leaders in the late bear movement, and the rise was so rapid that it left many of the followers of the clique largely short, they having had no opportunity to cover. The tone was feverish at the close of Saturday, but generally strong. On Monday there were sales to realize the late advance, and the bears took advantage of the decline to make another demonstration upon the market, and in this they were measurably successful on that day and on Tuesday. On Wednesday the attack was renewed, but toward the close of business the announcement was made that Mr. William H. Vanderbilt had sold to a syndicate of bankers, representing European and domestic capitalists—the latter chiefly interested in the Wabash system of roads—250,000 shares of New York Central stock at 120, payment to be made in instalments, and chiefly in United States four per cent. bonds. This news and the positive assertion that Mr. Vanderbilt had a controlling interest in the New York, Lake Erie & Western Railway, the election for directors of which was held on the day previous, gave a fresh impulse to the market, and led by the Vanderbilt specialties and Erie, it bounded upward, and closed strong. Thursday was the Thanksgiving holiday. On Friday the market opened much higher than it had closed on Wednesday, but this gave an opportunity for realizing sales, the bears renewed the attack and a decline followed, which made the tone greatly unsettled at the close, and it was feverish and generally lower on Saturday. Confidence in the immediate future of prices was destroyed by the disastrous events of the previous week, and at the close of the month the market was left in the hands of the cliques, the strongest of whom were desirous of bringing about a further decline in values. The situation outside the Stock Exchange remained unchanged. No other interest suffered by the decline in stocks, but a lesson was taught which will not soon be forgotten, especially by those who were the chief sufferers.

It may appear strange to some of our readers that the warning which was given by the growing natural stringency in money and the wild character of the speculation in stocks, was not sooner heeded by the outside operators. The explanation is that so far as the condition of the banks was concerned, those who gave a thought to the situation felt confident that the flow of gold from Europe would soon greatly exceed in amount the drain of legal tenders for crop purposes, and that the banks would be able to continue the accommodation to daily borrowers on stocks, even though the legal tender reserve should be drawn down to an insignificant amount. They did not see that paper money was being retained at the West and elsewhere in the interior, in consequence of a demand for it in preference to gold, and thus the drain from this centre was steady. The increased advance of business at all Western cities and in their vicinity, was giving employment to all the funds that could be obtained from the distributing centres, and the almost unexampled prosperity of the country, upon which speculators were basing their operations, was really the means of aiding in bringing that speculation to a crisis later on. Not only did stocks advance, but grain, provisions, petroleum, and all the staples were traded in to an enormous extent, and all together aided in straining the resources of the banks to the utmost. After nearly five years of depression following the panic of 1873, the pressure which had held all branches of business down for this period, was removed, and everything bounded upward. Specie payments were maintained without the least effort, the refunding of the public debt had been effected with unexampled rapidity; the operations of the Treasury in connection with refunding had made money artificially easy during the entire summer, thus fostering speculation; the demand in the market for securities which would yield a better rate of interest than United States four per cent. bonds, had swept out of the street large amounts of mortgages and stocks that had a substantial value; the prosperous business which almost everybody was enjoying stimulated their desire to acquire wealth without labor and by the somewhat questionable and hazardous means of speculation, and Wall Street was flooded with orders from every section of the country to buy stocks regardless of their intrinsic value. Thus the mad whirl went on through the summer months. Operators who are regarded as constitutional bears took a survey of the market after it had had an enormous rise, and came to the conclusion that the tendency was so strongly upward by reason of the purchases by outside speculators, that the time had not yet come for them to attempt to stem the tide, and they joined the throng that were operating for a rise. This fact gave a fresh impetus to the movement. The news that this or that operator was buying stocks set the followers of these men speculating in the same direction, and it needed but a suggestion that men prominent as operators or capitalists were interesting themselves in a share property, to induce outsiders to buy it so eagerly that it appeared at times as if they were fearful that there would not be enough stocks to go around.

We may give a few illustrations. Late in August a disagreement among leading coal producers as to the policy of the trade, caused a sharp decline in the coal stocks. Early in September Mr. Gowen, of the Reading, determined to bring about a settlement of the difficulties, and had several conferences to this end. While these were in progress a shrewd stock operator, with large capital, took hold of the coal stocks, in which there was a large short interest, and taking advantage of this fact and assuming that Mr. Gowen would be successful in bringing about an agreement, he whirled the market upward, compelled the shorts to cover, and when this was accomplished, the news came that harmony prevailed among the coal producers, and the outside speculators rushed in, bought the coal stocks, and carried them still further upward. The rise was even more rapid after the highest figures of the last few years had been exceeded, for then it was said that the demand for coal at good prices was so great by reason of the revival in the iron and other industries, that it was regarded as certain that the enormous output of the year would be exhausted, and that the profits upon coal would be so large that the companies would be able to resume dividends. Buyers did not stop to consider whether even such an event was possible, but they knew that coal and iron were advancing, and they acted as if dividends on the coal properties were already assured.

The consolidation of the Wabash with the St. Louis, Kansas City & Northern was no sooner announced, than speculators began to look earnestly after the stock of roads that might possibly be wanted as feeders to the new Trunk line and the shares of those roads which would probably form the seaboard outlet for the consolidated line. This started the speculation in the bonds of the New York & Oswego, and the New Jersey Midland, and the Rome, Watertown & Ogdensburg roads, and in the stock of the Indianapolis, Cincinnati & Lafayette, the Lafayette, Bloomington & Muncie, the Alton & Terre Haute, the Denver & Rio Grande, and a host of other roads that might be mentioned.

The enormous crops of cereals in this country and the deficient harvests abroad, stimulated the speculation in the stock of the Granger roads, and new lines in the northwest being rapidly extended, the shares of these roads came in request, as they promised to rise rapidly upon their merits alone. No sooner were the stocks placed upon the list than they were carried upward, and buyers seemed to feel that their fortune was assured if they could only obtain a few hundred shares of the property.

This steady buying soon began to tell upon the market, and turned the heads of the speculators. Conservative bankers, who had grown gray in the Street, and had always been accustomed carefully to examine into the merits of property before they invested, confessed that in all their experience they never saw anything to equal the madness of the speculation. If their opinion was asked, they gave their advice to let the market alone, but even while they were speaking stocks were rising with startling rapidity. If these bankers were doing a commission business, they could scarcley afford to let their customers go to other houses, where the broker might not be so outspoken in his views, and consequently the conference generally ended by an order being given and executed, for the purchase of some particular stock. Outsiders came down into the Street in the morning, went up town in the afternoon several hundred dollars richer, told their friends of their good luck, and the next day down came these friends to try their fortune. Men, women, and boys, were speculating to a greater or less extent, according to their means, and business men neglected the slower, but perhaps surer methods of gaining a competency, to which they had been educated, to plunge into Wall street, where they were the merest novices. Thus were the outsiders lured onward to what proved to many their destruction, and to almost all a sad, if not irreparable misfortune. The object to be attained was wealth, by unknown paths, which all should tread with care lest the goal was apparently so near and withal so glittering, that those who would not dream of pursuing such a course in ordinary business enterprises rushed recklessly onward to the end. These speculators were not lacking good sense, but they were imprudent. None but those who have made a study of the Street and its ways, can readily conceive how it was that these men gave way to impulse, and did not exercise sound judgment.

The catastrophe of the 21st was not brought about by the managers of the raid solely with a view of punishing the unwary speculators. The bear leaders early saw what must be the inevitable result of the mad movement, and they laid their plans accordingly. They had sold their stocks at a handsome profit, and seeing the market still rising, knew that the list was being carried by speculators who would probably take fright at the first serious break. But when the raid early in the week was made, the leaders found that the market did not yield as readily as they had expected, and that it was rebounding, so they made another, and still another demonstration, with the results already described. The cliques had sold a large line of stocks which they wanted to get back at lower prices. They accomplished their object and then the raid ended.

The following shows the averages reported by the associated banks during the last five weeks, and the condition of the reserve. It will be seen that there was a decided change for the better during the week ending November 15th, in consequence of the payments by the Treasury for interest upon the public debt, and for the bonds purchased for the sinking fund. The banks continued to lose currency but they gained gold, so that the total reserve was augmented by the close of the month more than $10,000,000, compared with November 1st. The loans were largely increased during the week of the greatest excitement, showing that the banks did all that could safely be done toward meeting the demands daily made upon them:

	Nov. 1.	Nov. 8.	Nov. 15.	Nov. 22.	Nov. 29.
Loans	$271,238,600	$270,076,800	$268,538,800	$276,194,400	$273,439,900
Specie	29,675,300	33,823,800	42,992,800	50,006,700	52,310,700
Legal-tenders	28,615,900	23,486,900	22,595,800	18,985,200	16,771,700
Total reserve	58,291,200	57,310,700	65,588,600	68,991,900	69,082,400
Deposits	234,412,000	231,927,700	239,201,200	250,297,300	247,195,500
Reserve required	58,603,000	57,981,925	59,800,300	62,574,325	61,798,875
Surplus	......	......	5,788,300	6,417,575	7,283,525
Deficiency	311,800	671,225	......	......	......
Circulation	22,600,500	22,341,500	22,475,700	22,550,400	23,024,800

CURRENCY PAPER.

There has been no change in rates for commercial paper during the month, and they remain nominally as follows:

	Sixty days.	Four months.
Double-named—		
First-class	5½ @ 6	6 @ 6½
Good	6 @ 7	6½ @ 7
Single-named—		
First-class	6 @ 7	6 @ 7
Good	8 @ 9	8 @ 9
Not so well known	9 @10	9 @10

CALL LOANS.

The following shows the daily rate for money on call at the Stock Exchange during November:

	Opening.	Highest.	Lowest.	Closing.
November 1	¼ & 7	¼ & 7	¼ & 7	¼ & 7
" 3	¼ & 7	¼ & 7	1-16 & 7	1-16 & 7
" 5	⅛ & 7	⅛ & 7	7	7
" 6	1-16 & 7	⅜ & 7	1-16 & 7	¼ & 7
" 7	1-16 & 7	⅛ & 7	7	7
" 8	1-16 & 7	1-16 & 7	4	4
" 10	7	1-32 & 7	7	7
" 11	7	7	3	3
" 12	7	7	4	4
" 13	7	1-16 & 7	4	4
" 14	7	7	3	3
" 15	7	⅛ & 7	5	5
" 17	7	7	4	4
" 18	7	1-16 & 7	7	7
" 19	7	1-16 & 7	5	5
" 20	7	¼ & 7	7	⅛ & 7
" 21	7	¼ & 7	7	1-16 & 7
" 22	7	7	4	4
" 24	7	7	4	4
" 25	6	7	4	4
" 26	7	7	4	4
" 28	7	7	4	4
" 29	6	7	5	5

The Government Bond Market was active and higher during the first week in the month, and speculators advanced the price of the six per cent. bonds, proposals for the sale of which for the sinking fund had been invited by the Secretary of the Treasury. During the second week the market settled down, and was not in the least disturbed by the events of the third week in the month. On Monday, Tuesday, and Wednesday of the last week, there was a sharp advance in the four per cents, caused by the purchase of about $8,000,000 by the bankers who were parties to the New York Central transaction, they requiring the bonds for delivery to Mr. Vanderbilt in settlement for the Central stock. There were some purchases by the banks for deposit as security for circulation, but the bulk of the demand came from investors. The following shows the highest and lowest prices for the month, and the closing bids and sales November 29th as compared with October 31st.

	Int. Periods.	Closing Oct. 31.	Highest for Nov.	Lowest for Nov.	Clos'g Nov. 29.
6s, 1880, reg	J. & J.	104⅝	105½	104⅝	104½*
6s, 1880, coup	J. & J.	104¼*	105½	105⅛	104½*
6s, 1881, reg	J. & J.	105⅝	106⅛	105⅝	105⅞*
6s' 1881, coup	J. & J.	105¼	106⅝	105¼	105⅞*
5s, 1881, reg	Q.—Feb.	102¼	102⅝	102¼	102¼*
5s, 1881, coup	Q.—Feb.	103¼*	102⅝*	102	102⅝
4½s, 1891, reg	Q.—Mar.	105⅝*	105⅝*	105¼	105¾*
4½s, 1891, coup	Q.—Mar.	105¾	107¼	106¼	106⅞*
4s, 1907, reg	Q.—Jan.	102¼	103¾	102⅛	103⅝
4s, 1907, coup	Q.—Jan.	102⅛	103¾	102⅛	103⅝
4s, of 1907, small		102¼*	103⅛	103	103⅛*
6s, currency	J. & J.	122*	125	123	123 *

*Bid.

STATE BONDS.—The movement in State bonds was unimportant, the sales at the Stock Exchange amounting to only $906,000 chiefly Missouris, Louisianas, and District of Columbias.

RAILROAD BONDS.—The sale of railroad mortgages for the month amounted to $54,822,940, and the largest business was in Erie 2d consols, the bonds of the Southwestern roads, and the more substantial investment securities.

THE STOCK MARKET for the month has been fully sketched above. The total reported sales of stocks were 10,715,066 shares, and the largest transactions were in Erie, 2,756,159 shares. It is probable that had all the business been reported, the total would have reached 12,000,000 shares. The fluctuations are shown below.

STOCK TRANSACTIONS FOR THE MONTH.

The following table shows the closing prices on October 31, the highest prices reached during the month of November, the closing prices on November 29 (the end of the month), together with the total reported sales for the month of November of the active stocks dealt in on the Stock Exchange:

	Closing Oct. 31.	Highest in Nov.	Closing Nov. 29.	No. of shares sold.
C., C., C. & Ind.	69	85⅛	80	36,867
C., C. & Ind. Cen.	15⅛	28	20⅛	201,191
Chesapeake & Ohio	13¾	23¼	19⅛	96,745
Ches. & Ohio 2d pref.	15¾	29	23	18,560
Ches. & Ohio 1st pref.	22⅞	37	31⅛	20,292
Chicago, St. Paul & Minn.	45⅛	56	48	33,760
Chicago & Northwestern	90	94⅛	90⅛	398,500
Chic., Milwaukee & St. Paul	74⅛	82⅛	73	481,405
Del. Lack. & West'n	88¾	94	82¾	759,184
Del. & Hud., Canal Co.	79	89⅛	75	177,410
Hannibal & St. Jo	36¾	41⅛	33	157,590
Han. & St. Jo. pref.	60¾	70⅛	61	95,275
Lafayette, Bloom. & Muncie	54	90	84	5,762
Louisville & Nash	76⅛	89¼	87	61,061
Lake Shore	101	108	104⅛	513,270
Manhattan Railway	75¾	72¼	60	97,827
Michigan Central	93⅛	98	94	116,040
Mo., Kan. & Tex.	28⅛	35¾	30	488,769
Nashville, Chat. & St. Louis	58⅛	83	75	107,987
New Jersey Cen.	77¾	89⅞	75⅛	333,026
N. Y. Cent. & Hud.	130	139	132⅛	30,858
N. Y., Lake Erie & West.	40⅛	49	40⅝	2,756,159
N. Y., Lake Erie & West. pref.	65	78⅛	69¾	198,297
Ohio & Mississippi	23¾	33⅝	28⅛	309,287
Ohio & Miss. pref.	53⅛	64¼	57⅝	32,034
Philadelphia & Reading	....	75¼	68⅛	196,728
St. L. & S. Francisco	27	58	45	60,075
St. L. & San Francisco pref.	33⅛	60⅛	49¾	116,415
St. L. & San Francisco 1st p'd	54	78⅛	70¾	19,358
St. L. I. M. & South	49¼	56	46¼	201,570
Union Pacific	91⅛	92¼	88	85,675
Wabash	59⅛	62¾	56¾	338,733
Western Union Tel.	105¼	110	107¾	273,337
Pacific Mail	37¾	39⅝	29⅛	367,665
All other stocks	....	...	....	1,530,633
Total number of shares sold				10,715,066

FOREIGN EXCHANGE was dull, and at times heavy, being influenced mainly by teh stringency in money. The Bank of England rate of discount was advanced, thus

causing a decline in long sterling. The rates remained below the gold importing point during the entire month. The following were the closing rates:

The market closed dull and weak. We quote:

	60 days.	Demand.
Prime bankers' sterling bills on London	4.80 @4.81⅛	4.83¼@4.84
Good bankers' and prime commercial	4.80 @4.80½	4.82¾@4.83¼
Good commercial	4.79½@4.80	4.82 @4.83
Documentary commercial	4.79 @4.79½	4.81½@4.82
Paris (francs)	5.25⅝@5.24⅜	5.23⅛@5.21⅞
Antwerp (francs)	5.26⅞@5.25	5.23⅛@5.21⅞
Swiss (francs)	5.25⅝@5.24⅜	5.22½@5.21¼
Amsterdam (guilders)	39⅝@ 39¾	39⅞@ 40
Hamburg (reichsmark)	94⅛@ 94⅜	94⅞@ 95⅛
Frankfort (reichsmark)	94⅛@ 94⅜	94⅞@ 95⅛
Bremen (reichsmark)	94⅛@ 94⅜	94⅞@ 95⅛
Berlin (reichsmark)	94⅛@ 94⅜	94⅞@ 95⅛

The Central Pacific Pays Under Protest.—Mr. French, the United States Auditor of Railroad Accounts ,has received a communication from Mr. C. P. Huntington, Vice-President of the Central Pacific Railroad Company, inclosing a check for $609,080,69, which, in connection with the amounts due the company and withheld by the United States Treasury for government transportation, both on its subsidized and unsubsidized roads, between Nov. 6, 1869, and June 30, 1878, fulfills the requirements of all existing laws in regard to the payment to the government of 5 per cent. of the company's net earnings during the period named.

Another recent payment made by the company, published elsewhere in this issue of the JOURNAL, settled its indebtedness on account of the 5 per cent. requirement, and also discharged its obligations under the Thurman Sinking Fund law, for the six months following the 30 of June, 1878, from which date the Sinking Fund obligation was to be computed; and it may be stated, therefore, that the Central Pacific Railway Company has settled all its accounts with the government up to the 31st of last December. The cash payments for the year 1879 will not be due until next February.

Vice-President Huntington in the course of his letter transmitting the check for $609,080,69 refers to some of the points in dispute between this road and the government and says: "The Central Pacific Railroad Company reserves the right to appeal to the courts for redress of this and like grievances; and this payment I desire to be understood as being subject to that reservation. This "5 per cent.," when accurately ascertained, we have always regarded as the right of the government, but the 20 per cent. and half the earnings from government business, taken and withheld in excess of the 5 per cent. under our contract for the period subsequent to June 30, 1878, (as required by the Thurman act of Congress), we must regard as having been wrongfully extorted from the company, in defiance of justice, equity, and good faith, in fact, 'by the law of the strongest.'"

STOCKS AND BONDS—PRICES IN NEW YORK AND OTHER CITIES.

The following tables give the latest bid and asked prices at the New York Stock Exchange; also Southern securities, a full list of general stocks not called at the Exchange, and correct quotations from other cities.

☞ Quotations in New York are to Thursday, Nov. 27; latest mail advices from other cities.

The prices named represent the percentage upon a par basis.

*** Indicates ex-interest. § With interest added. x Dividend.**

SECURITIES.	Bid.	Askd
STATE STOCK.		
Alabama 5s, 1883		
do 5s, 1886		
do 8s, 1886		
do 8s, 1888		
do 8s M & Eufala R R		
do 8s Ala & Chat R R		
do 8s of 1892		
do 8s of 1893		
do consols class A	49	
do do do B		
do do do C		
Arkansas 6s funded		
do 7s L Rk & Ft S iss		
do 7s Memp & L R		
do 7s L Rk P B & N O	3	7
do 7s Miss O & R Riv		
do 7s Ark Cent R R		8½
Connecticut 6s	105	
Georgia 6s		
do 7s new bonds	111½	
do 7s endorsed		
do 7s gold bonds		
Illinois coupon 6s, 1879		
do war loan		
Kentucky 6s		
Louisiana 6s		
do new bonds		
do 6s new floating debt		
do 7s penitentiary		
do 5s levee bonds		
do 8s do		
do 8s do of 1875		
do 8s do of 1910		
do 7s Consolidated		44¼
do 7s Small Bonds		
Michigan 6s 1878-1879		
do 6s, 1883	103	
do 7s, 1890	110½	103
Missouri 6s due in 1883	102	
do do in 1886	103½	
do do 1887	104	
do do 1888	105½	
do do in 1889 or 1890	105½	
Asyl or Univs'y due 1892	105½	
Fund'g bds due in 1894-5	106	
Han & St. Jos. due 1886	104	
do do 1887	104	
New York 6s gold reg'd, 1887	108	
do 6s do coup., 1887	108	
do 6s do loan, 1883	106	
do 6s do do 1891	117	
do 6s do do 1892	117	
do 6s do do 1893	117	
N Carolina 6s old Jan & July		
do Apr & Oct		
do N. C. R., Jan & July		
do do Apr & Oct		
do do cp off Jan & July		
do do cp off Apr & Oct		
do funding act, 1866		
do do 1868		
do new bonds Jan & July		
N. C. new bonds, April & Oct		
do special tax, class 1	4½	5
do do class 2		4½
do do class 3		
Ohio 6s, 1881		
do 1886		
Rhode Island 6s		
South Carolina 6s		
do Jan & July		
do April & Oct		
do funding act 1866		
do land C 1889 Jan & J		
do land C 1889 Apr & O		
do 7s of 1888		
Non-fundable bonds		4
Tennessee 6s, old	33½	34⅞
do 6s, new	28	
do new series	29	
Virginia 6s, old	20	
do 6s, new bonds, 1866	20	
do 6s, do 1867	20	
do 6s, consol. bonds	75	
do 6s, ex-mat'd coup	55	
do 6s, do 2d series.	25	
do 6s, defer'd do		8
Dist. of Col. 3-65's 1924	84⅞	85¼
do Small Bonds		
do Registered	85	85¼
CITY AND COUNTY.		
Brooklyn 6s		
do 6s, water loan		
do 6s, imp'm't stock		
do 7s, do		
do 6s, pub, p'k loan		
do 7s. do do		
Jersey City 6s, water loan		
do 7s, do		
do 7s, improvement		
Kings county 6s	104	
New York City 6s, 20-50's, 1876.		
do do 6s, 1877.		
do do 6s, 1878.		
do do 6s, 1887		
do do G'd 6s, Con. 1902.		
do do 6s, ..1896.		
do do 6s Dock b'ds		
do do 6s co. b'ds		
do do 6s Cen. Park		
do 5s, 1890		
do 5s, 1898		
RAILROAD BONDS.		
Boston, H. & E. 1st m	50½	50⅝
Boston, H. & E. 1st m guar		
B., Cedar Rap. & N. 1s 5s g	90⅜	90⅝
Chesapeake & Ohio 6s 1st mtg.		
do do ex-coupon		
Chicago & Alton 1st mortgage.	118⅛	118½
do income		
Joliet & Chicago 1st mortgage.		
La. & Mo., 1st guaranteed		
St. L Jacksonville & Chic 1st		
Chic. Bur. & Qu. 8 per ct. 1st m		

STOCK AND BOND QUOTATIONS.

Securities.	Bid.	Askd
Chic. Bur. & Qu. cons......M 7s	121	121¼
do do 5s Sinking Fund	98	......
Chic. R. I. & Pacific 1st M 7s...		
do 6s 1917, coupon...	114¼	......
do 6s 1917, registered	114	......
Keokuk & Des Moin. 1st 5s.....	91¾	93
Central R R of New Jersey....		
Cen. R of N. J. 1st m. new..	115	......
do 1st consolidated	......	......
do convertible	......	......
L. & W. B'e. con. guaranteed	110	......
Am' Dock & Imp. bonds	106	108
Chic. Mil. & St. Paul R. R	......	......
M. & St. P. 1st mtg 8s P. D...	125⅜	......
do 2d 7 3-10 P. D.....	......	......
do 1st 7s $ gold R. D	113	114
do 1st 7s £ do	.....	......
do 1st M. LaC. D.....	112⅝	......
do 1st M. I. & M. D..	111⅛	....
do 1st M. I. & D......	109	.. ..
do 1st M. H & D.....	109	......
do 1st M. C. & M.....	113	115⅛
do consolidated s f..	110	111
do 2d mortgage.....	......	......
Chic. & N. W. sinking fund....	109	111
do do int. bonds.......	105	107
do do cons. bonds.....	119	......
do do exten. bonds...	103	......
do do 1st mortgage...	107⅛	......
do do coup gd bonds..	115	......
do do reg'd do	......	......
Iowa Midland 1st m. 8s.....	......	125
Galena & Chicago extension.	... ..	......
Peninsula 1st m. conv........	......	......
Chicago & Mil. 1st m..........	......	117
Winona & St. P. 1st mort.....	......	......
do do 2d mort.....	107	......
C. C. C. & Ind's 1s m. 7s s. f.....	116	......
do consol, M. bonds.	......	111
Del., Lack. & W. 2d m..........	......	104⅛
do do 7s conv.......	......	......
Morris & Essex 1st mor.......	123	......
do 2d do	......	......
do bonds, 1900...	......	......
do constr'n	96¼	......
do 7s of 1871.....	110	.....
do 1s con. gd....	108	112
Del. & Hud. Can. 1s m. 1884....	102	104⅛
do do 1891....	104⅛	......
do Coup. 7s 1894...	106	......
do Regis'd 7s 1894	108	......
Albany & Susq. 1st m'ge.......	......	115
do do 2d do......	105	107
do do 3d do......	103	......
do do 1st c gua'd....	105	......
Rens'r & Sara. 1st Coup......	123	125
do do 1st reg'd	......	......
Erie 1st mort. extended.	. ....	......
do 1st do endorsed.......	......	......
do 2d do 7s, 1879.......	......	......
do 3d do 7s, 1883........ ...	106	106⅛
do 4th do 7s, 1880.......	102⅛	102½
do 5th do 7s, 1888...........	111½	113½
do 7's cons. m'ge gd bds.....	114¾	114⅞
Long Dock Bonds	114	......
B., N. Y., & E. 1st m 1916.....	117	......
Han. & St. J. 8s convertible m.	107	108
Illinois Central,	......	......
Dub. & Sioux City 1st m......	......	114
do do 2d div....	......	118
Cedar Falls & Minn. 1st m....	102	104
Indp's Bloomn & W'n 1st m...	68	70⅛
do do 2d m...	55	61
Lake Shore Bonds	......	.....

Securities.	Bid	Askd
RAILROAD BONDS.		
M. So & N. I. Sink. fd 7 p c.....	108	108⅝
Cleve. & Tol. sink. fd...........	110	111
Cleve. & Tol. new bonds........	... ..	......
Cleve. Painesv & A old bonds..	......	......
do do new do....	......	......
Buff. & Erie, new bonds...	114	115
Buff. and State Line 7s.........	......	......
Kala. & W. Pigeon 1st m........	......	......
Det. Mon & Tol 1st 7s 1906......	113	115
Lake Shore div. bonds..........	114	......
do con c'p 1st bds.....	121⅛	......
do con reg 1st bds.....	120	......
do con coup 2d m......	115	.. ..
do con re'gd 2d m.....	111⅛	x
Marietta & Cin. 1st m..	102⅛	103
Mich. Cent. consol. 7s 1902......	117⅝	118
do 1st m. 8s '82 s f	107	......
do equipment bds.....	......	......
New Jersey So. 1st m. 7s........	......	......
do consol 7s.......	......	......
N. Y. Cent. 6s, 1883............	103	107
do do 6s, 1887.............	108⅛	......
do do 6s, real estate......	......	......
do do 6s, subscription...	......	......
do do & Hud 1st m c.....	... ..	......
do do do 1st m reg....	......	125⅛
Hud. Riv. 7s 2d m s f 1885.....	111⅛	......
Harlem 1st m 7s coupon......	124	124⅛
do do reg'd.........	.....	......
North Missouri, 1st mort.	......	......
Ohio & Miss cons s f...........	112	112⅜
do consolidated.......	... ..	......
do 2d do...........	109⅜	......
do 1st Springfield div.	75⅝	80
Pacific R R bonds..........	......	......
Cent Pacific gold bonds......	110½	......
do San Joaquin branch....	99½	100
do Cal & Oregon 1st.........	100	......
do State aid bonds	......	......
do land grant bonds.........	......	.....
Western Pacific bonds........	104¾	......
Union Pacific 1st m bds.......	105	......
do land grants. 7s...	......	......
do sinking fund.....	......	......
Pacific R of Mo. 1st m..........	105	......
do 2d m...............	107¾	.....
do Income 7s.........	......	......
do 1st Carnod't B......	......	......
Pennsylvania R R		
Pitts, Ft W & C 1st m	......	128
do do 2d m........	122	......
do do 3d m.........	115	117½
Cleve & Pitts con s f....	115½	118
do 4th do.........	107	......
Col. Chic & Ind 1st m.........	86½	88
do do 2d m.........	45	49
Rome, Water'n & Og con 1.....	64¼	.....
St. L. & Iron M 1st m...........	112	113
do do 2d m..........	96	97
St. L. Alton & Terre Haute....		
Alton & Terre Haute 1st m..	112½	113⅛
do 2d do pref....	95	97
do 2d do inc......	76	78
Bell & S. Ill R. 1st m 8s.......	103	......
Tol, Peo & War, 1st E D.......	......	......
do do do W D.........	......	......
do do do Burl div.....	......	......
do do do 2d m.........	......	......
do do do consol 7s....	.....	......
Toledo, Wabash & Western....		
Tol & Wab 1st m ex...........	89	......
do Ex coupon...	......	......
do 1st m St L div......	108½	109½
do Ex mat'd coup.. ..	......	......

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd
Tol & Wab 2d m	102⅛	102¼
do Ex & Nov 77 coup..	96⅞	97¾
do equipment bonds.	.....	40
do cons conv'ble	......	......
do Ex Aug 78 & priv's.	93	94
Gt West'n 1st m 1888	......	......
do Ex coupon	......	......
do 2d m 1893	......	......
do Ex & Nov 77 coup..	......	......
Quincy & Tol 1st m, 1890	......	......
do Ex M & Nov 77 c p.	......	......
Illinois & S Iowa 1st m	......	......
do Ex coupon	......	......
Han & Cent Mo 1st m.	......	......
Pekin, Lnc'n & Decat'r 1st m.	......	......
West'n Un bds, 1900, c'pon	......	......
do do do reg	......	......
MISCELLANEOUS LIST.		
Arkansas Levee 7s	2½	7½
Atchison & P Pk 6s gold	......	......
Atchison, Top & S Fe 7s, g	112¾	113½
Cairo & Fulton 1st 7s	101	102
California & Oregon 6s g'd	100	101
California Pac R R 7s gold	105	110
do 6s 2d m gold	100	101
Central Pac 7s gold, conv	105½	108
do land grant	104½	105
Cent of Iowa 1st M 7s gold	107½	110
Chi & Southwestern R R 8s	110	115
Chi & Eastern Ill. 1st 6s	92	95
do do income 7s	60	65
Chi & Mich Lake Shore 8s	......	......
Chi & Can South 1st m'g 7s	60	65
Chi, St. P. & Min 1st M 6s	100	101
do land grant 6s	92½	94
Cin, Rich & F W 1 m g 7s	70	80
Cleve, Mt V & Del 7s gold	......	......
Connecticut Valley 7s gold	50	70
Connecticut Western 1st 7s	......	......
Col & Hock Val 1st 7s 30 ys	105	110
Dan, Urb, Bl & P 1st m 7s g	......	......
Denver Pacific 7 gold	88	89
Denv and Rio Grande 7s g	95½	96
Det, Hillsdale & Ind R R 8s	......	......
Dixon, Peoria & Han 8s	......	......
Erie & Pittsburg 1st 7s	100	102½
Evans & Crawfordsville 7s	100	105
Evans, Hend. & Nashville 7s	......	......
Evansville, T & H Chic 7s g	70	80
Flint & Pere M 7s land grant	100	105
do 7s consol	51	52½
Fort W, Jackson & Sag 8s	......	......
Grand River Valley 8s	105	110
G'd Rapids & Ind 1 guar 7 g	109	110½
G'd Rapids & Ind 1st 7s g	100	102
Houst, & Gt N. 1st m g 7s	93	94
Houst. & Tex. C. 1st M L	107¾	108
do 1st W D	104	105
do Con. 8s	110	110½
Ill Grand Trunk 8s	113	115
Ind, Bl & W Ext 1st m g 7s	......	......
Indianapolis & Mad. 1st m 7s	100	103
Int'national R R Tex 1 m g 7s	93	94
Ind. Bl. & W., 1st 7s, pref	110	112
do 1st	69½	70½
do 2ds	60	62
do Income	51	55
do stock	34	37
Indianapolis & Vinc's 1st 7s gr.	105	107
Indianapolis & St. Louis 7s	80	90
Io Falls & Sioux City 1st 7s	105	110
Jack. Lansing & Sag. 1st m	......	......
Jeff'ville, Mad & Ind 1st m 7s	111	115
Kala'zoo & South H 8s guar	......	......

SECURITIES.	Bid	Askd
Kal, Alleghan & G R 8s gr	105	......
Kal & White Pigeon 7s	100	......
Kansas City & Cameron 10s	112	116
Kan Pac 7s ex Ma & No g	102	103
do 7s land gr Ja & Jy g	121	123
Kan Pac 7s do 2d m	100	101
do 6s gold June & Dec	113½	114½
do 6s do Feb & Aug	117	119
do 7s Leaven Branch	96	98
do Income No 11	73	75
do do No 16	73	95
do stock	88¾	89½
Michigan Air Line 8s	......	......
Mil & North 1st m 8s	65	70
Mo, Kan & Tex assent'd bds	91¼	91¾
do 2d inc	44½	45
N. J. Midland 1st 7s gold	64	65½
N. Y. & N. J. 7s, con. gold	15	16
N. Y. & Osw Mid 1st 7s gold	35	36
Omaha & S West'n R R 8s	113	115
Oregon & Cal 7s gold	28	30
Oswego & Rome 7s guar	100	110
Ott, Oswego & Fox R V 8s	......	......
Pitts, Cin & St Louis 1st 7s	109	110
Pt Huron & L M 7s g end	30	......
Quincy & Warsaw 8s	......	......
Rome, W & Ogdensburg 7s	64½	65
Sand, Mans & Newark 7s	100	105
Sioux City & Pacific 6s	......	......
South Side (L I) 7s	90	100
Southern Central N Y 7s	60	80
Steubenville & Indiana 6s	101	104
Southern Minn construc 8s	109	110
St. Jo & C Bl 1st m 10s	......	......
St. Louis, Vanda & T H 1st	110	115
do do 2d	95	100
St L & S Eastern 1st 7s gold	75	80
Union Pacific So br 6s gold	93	96
Union & Logansport 7s	92	100
Texas & Pacific L G 7s	70	72
CINCINNATI.		
STATE, CO. AND CITY BONDS.		
Ohio State 6s	111	112
Hamilton County 6s	100	......
do do 7s	101	105
City of Cincinnati 6s	104½	......
do do 7s	112	......
do do 7 3-10	115	......
City of Covington, Ky 6s '81	102	......
do do 7 3-10, '81	102	104
RAILROAD BONDS.		
L Miami & I & C con 6s	80	......
do do 1st 6s '83	102	......
Cin, Ham & Day 1 m 7s '80	101	......
do do 2 m 7s '85	105	105
do do 3 m 8s	......	......
Dayton & Mich, 1 m 7s '81	103½	104
Dayton and Mich, 2 m 7s '84	......	105
do do 3 m 7s '88	100¼	x
Cin, Rich & Chi, 1 m 7s '95	92	......
Cin, Han & Ind 1st m gr 7s	82½	86
Marietta & Cin 1st m 7s '91	87	90
do do 2d m 7s '96	30	32
Indianap & Cin 1st m 7s '88	102	......
Cin & In guar 1st m 7s '92	102½	105
do 2d m 7s '77 '82	75	100
Indianap C & L 1st m 7s '97	80	......
Day & W 1 m, 1881	100	......
do 2 m, 1905	87	90
MISCELLANEOUS STOCKS.		
Columbus & Xenia 50	118	......
Cin, Ham & Dayton 100	60	65
Dayton & Mich 3½ guar 50	47½	50
Little Miami 50	115	116

STOCK AND BOND QUOTATIONS.

Securities.	Bid	Askd
Marietta & Cin 1st pref.......50	......	5
do do 2d do....... .50	......	3
Cin Gas Light & Coke Co....100	161	165
SOUTHERN SECURITIES.		
CITIES.		
Atlanta, Ga 7s..................	102	105
do 8s............	106	110
Augusta, Ga 7s bonds..........	102	105
Charleston stock, 6s...........	55	58
Charleston, S. C. 7s F L bonds..	80	90
Columbia, S. C. 6s..............	40	60
Columbia, Ga. 7s bonds........	70	80
Lynchburg 6s...................	100	103
Macon 7s bonds.........	70	80
Memphis bonds 6s..	15	25
do new consols..........	20	35
do end, M & C R R......	15	......
Mobile 5s.......................	15	20
do 8s..........................	15	20
Montgomery 8s................	22	27
Nashville 6s old	80	90
do 6s new....	85	91
New Orleans 5s..................	29	31
do consol, 6s......... ...	28	31
do bonds, 7s............	27	31
do to railroads 6s........	27	31
Norfolk 6s....	98	......
Petersburg 6s..................	100	102
Richmond 6s...	102	105
Savannah 5s	69	71
RAILROADS.		
Atlantic & Gul, consol.........	102	104
Central Georgia cons, 7s	109	112
do do stock............	74	76
Charlotte Col & A, 1 m 7s......	96	100
do do stock...	20	25
E Tenn & Georgia 6s...........	90	100
East Tenn, Va & Geo 1st m 7s..	100	102
do do stock...........	45	50
Georgia R R 7s.................	107	110
do stock	83	86
Greenville & Col 7s guar........	60	64
do do 7s certiff......	50	55
Macon & Western Stock.......	98	101
Macon & Augusta bonds.......	85	90
do do endorsed......	95	100
Memphis & Charleston 1st 7s...	97	100
do do 2d 7s.....	80	90
do do stock....	15	17
Mississippi Central 1st m 7s....	101	104
do do 2d m 8s.....	104	106
Mississippi & Tenn 1 m.......	110	113
do do cons, 8s....	90	......
Motg'y and West P, 1st 8s.... .	107	108
do do 1st end.......	......	......
Mobile and Ohio Sterling.......	80	......
do do do ex ctfs....	80	......
do do 8s interest...	27	35
N Orleans and Jackson 1st m..	112	114
do do 2d m....	105	110
Nash and Chattanooga 6s......	100	102
Norfolk and Petersb 1st m 8s...	106	108
do do 2d do..	102	104
Northeastern, S C, 1st m 7s.....	105	110
do do 2d do.....	84	90
Orange and Alex 1st 6s.........	99	102
do do 2d 6s.........	84	90
do do 3d 8s.........	83	90
do do 4th 8s	......	......
Rich and Peters'b 1st m 7s.....	......	......
do do 2d m 6s..... .	......	......
do do 3d m 8s......	102½	105
Rich and Fred'b and Pot 6s....	97	100
do do do con 7s.	97	102

Securities.	Bid	Askd
Rich and Danv 1st con 6........	95	98
do Piedmont 8s......	103	.....
do 1st 8s.....	......	90
Southside Va 1st m 8s	109	111
do 2d m guar 6s.....	90	100
do 3d m 6s..........	80	90
do 4th m 8s	......	......
Southwest R R, Ga 1st m.......	104	106
do do stock......	99	102
S. Caro R R, 1st m 7s, new	102	104
S. Caro R R 6s	......	......
do 7s 2d	57	61
Virginia and Tenn 2d 6s........	100	103
do do 3d 8s........	110	.....
West Ala, 8s guar............	108	110
Wilmington and Weldon 7s....	108	114
PAST DUE COUPONS.		
Tennessee State coupons......	10	20
Virginia consol coupons.......	81	83
Memphis city coupons...	20	......
South Carolina consols.........	......	......
BOSTON.		
STATE BONDS.		
Maine 6s 1889.................	114⅝	......
N. Hampshire 6s 1876–84.......	116	.....
Vermont 6s, 1874–78............	......	......
Massachusetts 5s, 1883, g........	110	......
CITY BONDS.		
Boston 5s, 1880–86, gold.........	......	.. ..
do 6s, currency..........	......	......
Chic 7s, 1890–95, riv. impr.......	113¾	......
do 1884....................	......	......
RAILROAD STOCKS AND BONDS.		
A T and Santa Fe, 1st m 7s....	......	113
do do L G.......	......	113
do do stock......	112⅝	......
Bost and Alb'y 6s, '75 (W RR)..	......	111⅛
do 7s, 1892....	121¼	......
do stock..............	.....	137
Boston and Lowell 7s, 1892.....	114	117
do stock (par 500)......	83	84¾
Boston and Maine, stock	116	......
Boston and Providence, stock.	126	......
Bur & Mo R 7s, '93, land grant.	112	115
do do 8s, 94, conv.......	......	106
do do 8s, 83 (in Neb). ...	100¾	101
Chicago, Bur and Quincy... ..	120	121¼
Bur & Mo Riv stock (in Neb).	128	128½
Cheshire 6s, 1898..........	103½	......
do preferred stock......	46½	......
Cin, San, and Cleve, 7s, 1890....	75½	......
do do com stk (par 50)..	15⅞	16
Concord stock (par 50).........	80	......
Conn and Pass Rivs 6s, 1876....	......	......
do do 7s, '76, notes...	......	......
do do pref. stock.........	......	60
Connecticut River, stock	140	141
Eastern stock.......	25	......
Fitchburg, stock	122	......
Manch and Lawrence stock...	140	......
Nashua and Lowell, stock......	105	......
Northern (N. H.) stock...	......	86
Norwich and Worcester stock.	124⅛	......
Ogdenburg and L Champ stock	25¼	25⅛
do do pref stock....	65	69
Old Colony stock........... ..	107	107¾
Phil, Wil & Balt stock (par 50).	68⅛	68¾
Portl, Saco & Portsmouth st'k	......	101
Portsmouth, Gt F & Con'y s...	12¼	......
Rutland pref. stock............	......	27⅛
Vermont and Canada stock....	......	12
Vt. Ct. 1st m 7s, 1886 cons........	......	......
do do 8s, '91...............	......	......

STOCK AND BOND QUOTATIONS.

Securities.	Bid	Askd
Vermont and Mass	......	......
do do stock	117	......
Worcester and Nashua	62	63½
MISCELLANEOUS STOCKS.		
Boston Land Co	9⅞	10
Boston Water Power	10	10½
Pullman Palace Car	103½	104
PHILADELPHIA.		
STATE AND CITY BONDS.		
Penn. 5s, new, reg, '92 1902	112	112⅝
do 6s, 10-15, reg, '77 1882	101¼	102
do 6s, 15-25, reg, '82 1892	107½	109
Philadelphia 6s, old	104	......
do 6s, new, over 1895	117	118¼
Pittsburg 5s, reg, 1913	......	......
do 7s, water loan	112½	......
do 7s, street improv	102	......
RAILROAD BONDS.		
Allegheny V R R 7 3-10, '96	112	......
Bel & Del R R, 1st m 6s, 1902	109	......
do 2d do '85	105	......
do 3d do '87	103½	......
Cam & Amboy R R 6s, 1883	105	......
do do do 6s, 1889	......	107½
do do do m 6s, 1889	111	......
Cam & A. T. 1st m 7s, gold, 1893	......	120
do do 2d do cur, 1879	102¾	103
Cataw R R new 7s, 1900	110	......
Connecting R R 6s. cp. 1900	108	112
Del & B B R 1st m. 7s, 1905	113	113½
El. & Wmsp't R R, 1 m, 7s, '80	111	......
do do 5s c. perpe'l	83	90
H. & B. T. 2d m 7s, gld 1895	114½	......
do 3d do cur. 1895	......	......
Lehigh Valley, 1st m, 6s, c, '98	117	......
do do reg '98	117	118
do 2d m, 7s, reg 1910	122	......
do cons. m, 6s reg, 1923	109	......
do do 6s, coup. 1923	109	......
N Cent. 2d gd. m. 5s, cp'n 1926	76	80
North Penn, 1st m 6s, c. 1885	......	108½
do 2d m 7s, c. 1896	119	......
do gen. m 7s, c. 1906	112	......
do do reg., 1906	115	......
Oil Creek 1st m 7s, coup '82	......	88
Pittsb'h Titus & Buff 7s, c, 1896	36	40
P & N Y C. & H. R. 7s, r&c 1896	120¾	......
Penna. 1st mort 6s, c, 1880	104	106
do gen do 6s, c, 1910	115½	116¼
do do do 6s reg 1910	109	......
do cons m, 6s reg. 1905	......	110½
Phila & Erie 1st mort 6s c 1881	103	103½
do 2d mort 7s, c 1888	109	111
Phila & Reading 1st m 6s, 1880	103	103¼
do 2d m 7s, c 1893	114½	115
do cons m 7s c 1911	111½	......
do do m 7s r 1911	113	......
do do 6s, g r & c 1911	101½	102
Pitts, Cinn. & St. L 7s c 1900	110	111½
Tex & Pac 1st m, 6s, g 1905	101	103
do cons m, 6s, g 1905	......	108
Un & Titus 1st m, 7s, 1890	......	59
War. & F. 1st mort. 7s, c 1896	87½	......
West Jersey 6s, d coup 1883	101	105
West Jersey 1st mort 6s, c 1896	108	......
do do 7s, r & c '99	110	......

Securities.	Bid.	Askd
West Penn 6s, coup, 1893	102	103
do 6s. p b c, 1896	......	......
CANAL BONDS.		
Lehigh Nav. m 6s, r 1884	......	107
do M.R. R. r, 1897	109	109½
do M conv g. r. 1894	102½	103
do M. gold, r. c, 1897	......	106
do cons m 7s r, 1911	100	100
Schuyl. Nav. 1st m 6s, reg 1897	98	......
do 2d do r. 1907	74	75
do m 6s, coup. 1895	......	40
do 6s, bt&car r 1913	63	......
do 7s, bt&car r 1915	72	......
RAILROAD STOCK.		
Camden & Atlantic pref.... 50	......	41
Catawissa 50	14½	15
do pref 50	49½	50
do new pref 50	48½	......
Elmira & Williamsport 50	30½	......
do do pref 50	48	......
Lehigh Valley 50	50½	50¾
Liltle Schuylkill 50	49	49½
Minehill	55	......
Nesquehoning Valley	......	54¼
Norristown 50	100	......
Northern Pacific	36¼	......
do pref	60½	66
North Pennsylvania 50	49	......
Pennsylvania 50	48⅝	48¾
Philadelphia & Reading 50	31¾	31⅞
Pitts. Titus. & Buffalo	7½	7⅝
St. Paul & Duluth	26	......
do pref	57	58
United Cos. of N. J 100	149	......
CANAL STOCKS.		
Lehigh Navigation 50	37	37¼
Morris Canal grd 4 p c 100	53	60
do preferred 10 p c 100	135	......
Schuylkill Navigation	......	......
do do pref	......	......
BALTIMORE.		
Maryland 6s, defence, J. & J	108½	109
Virginia 10-40s, J. & J	45	45⅛
do deferred, J. & J	6	8
do consol. do	55¾	56
do do 2ds do	24	30
do consol coup, p due	83¾	84
N. Carolina 6s, Jan. & J., old	25	26
Tennessee 6s, do old	35	40
do 6s, do new	......	34
do 6s, do n. s.	......	33
Balt. 6s, J., A., J., O., 1890	111	111¼
do 6s, J. & J., 1902	115	......
do 5s, M. & N., ex., 1916	113	......
Memphis City 6s, J. & J., n	......	......
Balt. & Ohio, May & N 100	151½	152½
do 1st preferred	112½	113½
do 2d do	106	106½
Northern Central, M. & N 50	33	34
Central Ohio, June & Dec 50	35	39
do preferred 50	45	50
City Passenger R'y, J. & J 25	38	40

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd
Balt. & Ohio 6s, 1880, J. & J.....	102¼	103
do 1885 A. & O....	106½	107
Pitts. & C. 1st 7s, 1898, J. & J....	112	112½
N. Cent. 6s, 1885, J. & J.........	108	109½
do 6s, 1900,, A. & O... ...	108	109
do 6s, gold, 1900, J. & J..	106	106½
Cen. O. 6s, 1st m., 1890, M. & S..	106	106½
South Side, 1st 8s, J & J.........	106	......
do 2d 6s, do	92	94
do 3d 6s, do	88	92
Cin. & Baltimore 1st 7s..	100	......
W. M. 1st m 6s gu. 1890, J. & J..	113	116
do 1890. J. & J..	105	109
W. Maryland 2d m (pref)........	80	90
W. M. 2d m. 6s gu. by W. Co....	108	110
M. & Cin. 1st m 7s F and A 1892	102½	103
do 2d m 7s M. and N....	72¼	72½
M. & Cin. 3d m 8s 1900 J. and J..	41½	41¾
Rich. & Dan. 1st m. M. and N...	95½	96½
Union R. R., End. Cant. Co.....	110	......
Canton Co., 1st 6, gold, J and J.	106	108½
Orange, Alex. and Mn's 7s do..	70	71
Orange & A. 1st 6s, M. and N...	96	100
do 2d 6s, J. and J.....	95	100
do 3d 8s, M. and N... .	65	68
do 4th 8s, M. and S ...	34	35
Virginia & Tenn 6s 2d J. and J.	100	.....
do 8s, J. and J..	114	118
W. & W. 7s gold 1900 J. and J..	111	112
W. and Columbia and Aug. 7s.	45	48
Ohio & Miss, 2d 7s, A & O.......	109	......
Balt. Gas, J. and Dec....... 100	110	......
do gold certif.....100	103	......
People's Gas, J. and J....... 25	15	15⅝
Consumer's Gas..............	5	5⅛
do gold 6s, J & J, 1892...	98	100
Georges Creek Coal, J & J.....	90	100
Chesapeake and O. Canal bonds	......	50
Balt. Warehouse Co, J & J. ...	19	20
Cincinnati 7-30s, J. and J.......	......	......
Norfolk Water, 8s..............	115	117
LOUISVILLE.		
CITY AND CANAL BONDS.		
City improvement 6s...........	*102	*103
do bounty 6s....................	*102	*103
do school 6s.............	*102	*103
do wharf (old) 6s...............	*102	*103
do do (new) 6s..............	*102	*103
do water works (old) 6s......	*102	*103
do do (new) 6s.....	*102	*103
do L. and N. R. R. (M. S.) 6s...	*102	*103
do L. and N. R. R. (L. E) 6s...	*102	*103
do E. and P. R. R. 7s (old).....	*105	*106
do E. and P. R. R. 7s (new)....	*107	108
do old liabilities due 1880......	*101	......
do St. Louis A. L. R. R.... ...	*102	*103
Canal bonds, 3d issue, 6s.......	*102	*103
do 4th issue, 6s......	*106	*107

SECURITIES.	Bid	Askd
Louisville Bridge Co. 7s.........	*112	113
RAILROAD BONDS.		
Greensbury Branch............	*100	......
Louis. and Nash. Leb. Br.......	*101	102
Louis. and Nash. Cons...........	*110	111
L. and N. 2d mort..............	*102	*103
Louis., Cin. and Lex. 1 m 7s....	*112	111
do do 2 m 7s....	102½	99½
Jefferson. M. and I. 1st m 7s....	*110	113½
do do 2d m 7s....	*98½	*103
Eliz. and Paduc. 1st m. 8s	......	......
E. and P. Louisville Br'ch 7s...	......	......
Shelby, 1st mortgage 8s........	101	102
Owensboro and Russel, 1 m 8s.	......	......
MISCELLANEOUS BONDS.		
Kentuc. State bonds (old) 6s...	$105	......
do do (new) 6s..	$105	......
New Albany City..............	*104	105
Water Works bonds, 6s.........	*106	......
Louisville Transfer Co. 8s......	*100	......
STOCKS.		
Louisville and Nashville R. R..	84	85
Gas Company stock........ . .	109	110
Louisville Bridge Co. stock....	110	......
ST. LOUIS.		
CITY AND COUNTY BONDS.		
City water (is. '67) 6s gold......	$104½	106½
City water (is. '70) 6s gold.......	$104½	106½
City water (is. '72) 6s gold......	$104½	106½
City sewer (is. '73) 6s gold......	$104½	......
City park 6s gold.......	$104½	......
City bdg approach 6s gold.....	$104½	. ....
City 6s Currency...............	$103	......
County 6s, gold various.........	$103	......
County 6s, gold of 1892.........	$103	......
do do 1893.........	$103	......
County 7s, Currency...........	$104½	... ..
RAILROAD BONDS		
At. & Pac. 1st Cent. div..	53	......
Denver Pacific and Telegraph.	......	......
Kan. Pac. 1st m. F. and A......	116	118
do 1st m. J. and D	113	114
do 1st m. (Lea. br.).....	87	90½
do income No. 11.......	73	. ...
do income No. 16.......	73	...
do (Den. ext.) 1 m......	102	104
Kan. Pac., 1st m. L. G. 7s.......	120	122
Missouri Pacific 1st mort.......	104¼	105
do do 2d do	105½	......
North Missouri, 1st mort.......	113½	114
RAILROAD STOCKS.		
St. Louis & San Francisco......	51	......
do do pref......	59	......
do do 1st do	76	......
Kansas Pacific................	89½	......
Pacific of Missouri............	12	......
St. L. Kan. C. and Nort. pref..	......	......
do do commom..	......	......