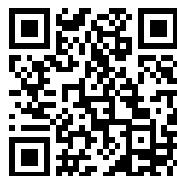

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Rhodes' journal of banking

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RHODES' JOURNAL

A RECORD OF AMERICAN BANKING.

NEW SERIES. }
VOLUME VII. }

JANUARY, 1880.

No. 1.

RHODES' JOURNAL IN 1880.

It is with a feeling of real pleasure that the publishers of RHODES' JOURNAL are enabled to announce that essential improvements will be made during the year in the various departments of this magazine. The success which makes the improvements possible is especially gratifying, as it brings the assurance that our efforts to furnish a practical banker's journal are fully appreciated. Our ambition is to always give our readers more for their money than they can reasonably expect, and by following out this line of action, our list of subscribers does not grow less by discontinuances, but is all the time growing by the addition of new subscribers. Thus our list of readers already exceeds our most sanguine expectations, and hence we are fully warranted in keeping ahead of the progressive spirit of the day, by the unceasing effort to make each succeeding issue of the JOURNAL better than the last.

Our readers can best judge of the value of the improvements referred to as they appear, but it may be well to announce now that a new department will be added, commencing with the next number, to be known as:

RHODES' JOURNAL COURT OF ARBITRATION

AND REPLIES TO QUESTIONS.

The name of this department explains its value and scope. It will be conducted by a committee of three gentlemen, each taking a separate class of the work, but jointly giving careful attention and patient research to differences submitted for arbitration, as well as to the answers to important questions touching any phase of banking, finance, or trade.

This department will be maintained absolutely for the benefit of our subscribers. Communications from others will not receive attention. The facts concerning matters submitted for arbitration, and our department's decision in such cases, will be published in the JOURNAL, but when general publicity is not desired, *names* and *locations* will be omitted, on request.

Added Attractions in 1880.—During the year 1880 a number of illustrations, having direct reference to banking, will appear in RHODES' JOURNAL. These will be engraved especially for this publication, and will be accompanied by brief historical sketches of the subjects illustrated. Among those already decided on, are:

THE NEW YORK STOCK EXCHANGE; THE ROYAL EXCHANGE, LONDON.

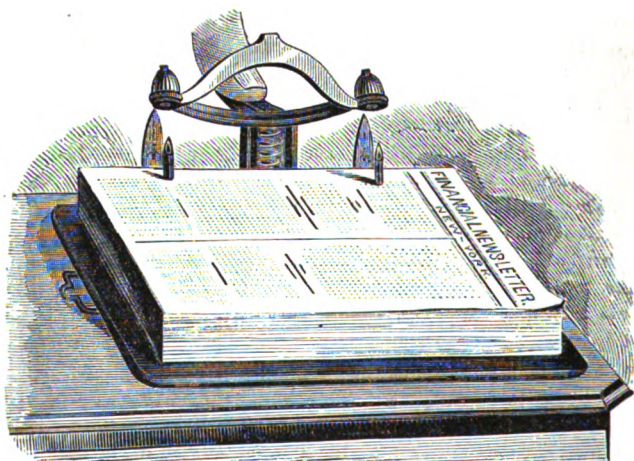
EXTERIOR VIEW OF THE BANK OF ENGLAND; INTERIOR VIEW OF SAME.

THE UNITED STATES TREASURY, WASHINGTON; EXAMPLES OF BANKING BUILDINGS IN VARIOUS SECTIONS OF THE COUNTRY.

Second Notice.—The following notice to our subscribers was published in the December number of the JOURNAL, and not wishing to have any mistake about the matter, it is now published a second time:

"Unless advised to the contrary before the close of the year, subscriptions expiring with 1879 will be entered in our books for the year 1880 without further notice. The publishers, while having the laudable ambition necessary to success in any business, wish it to be distinctly understood that the JOURNAL depends solely on its merits for continued and increased patronage. No importuning is tolerated, nor is it sent unless we are very sure it is wanted. This rule is necessary to distinguish it from the numerous publications which are sent out promiscuously, in hope of future payment, under the protection of an existing postal law. It is our ambition and earnest hope that RHODES' JOURNAL OF BANKING shall always be sought for, and never go a-begging for subscribers."

THE NEWS-LETTER FILE.



The illustration shows a simple file manufactured for preserving the **FINANCIAL NEWS-LETTER**. It is arranged for binding the papers at any time desired, thus: simply push each end of a suitable cord or wire through the needles, pull off the papers and tie on the back. By placing a piece of pasteboard on the bottom of the needles, and another on the top, the papers can be bound in book form.

Sent by mail or express, all charges prepaid, to our subscribers, on receipt of one dollar. Address,

BRADFORD RHODES & CO.
No. 13 Spruce Street, New York.

Our Weekly Letter.—Several numbers of our weekly publication, the *Financial News-Letter*, have been sent to our subscribers. It is published every Saturday morning in time for the early mail from New York, and contains the latest news of special importance to Banks and Bankers, up to a late hour Friday night.

The *News-Letter* is issued from the office of this JOURNAL, and is clubbed with it on the following terms:

FINANCIAL NEWS-LETTER (weekly) annual subscription.....\$3
RHODES' JOURNAL and the NEWS-LETTER, subscription covering both..... 5

It will thus be seen that we furnish for one annual subscription, a first-class monthly Magazine for Bankers, together with a weekly record containing all the essentials in monetary affairs.

The plan of our *Financial News-Letter* is, to furnish, every Saturday morning,

the **ESSENTIALS** in monetary affairs, and in the smallest possible space. No padding is tolerated. Our readers demand *condensed* information, deeming life too short and time too precious to worry through a mass of matter to get at the meat of events in the financial world.

Some Valued Opinions of the Journal.

[Re-printed from the *Financial News-Letter*.]

The Comptroller's Opinion.—Hon. John Jay Knox writes to the publishers of *Rhodes' Journal of Banking* as follows: "Your journal seems to be growing in value and in interest as well as in circulation."

REPLY:—True, Mr. Knox, the circulation of the *Journal* is growing, and rapidly too. Its list was nearly doubled in 1879, and we shall be disappointed if it is not more than doubled again in '80. The *FINANCIAL NEWS-LETTER* is proving itself to be a valued adjunct to the *Journal*. The magazine and weekly cover the banking field completely, and all for *five dollars*.

Wants It, and therefore Sends for It.—Here is a brief note from the managing officer of a *suspended* bank in Rhode Island, which tells its own story. The editor and publishers of the journal referred to spare no pains or expense in furnishing a magazine of information for the banking community in every section of the country, which will be welcomed for its completeness and conservatism, and prized afterward as a comprehensive work of reference on all banking affairs. If the manager of the suspended bank in "little Rhody" must have it, of how much more value must it be to banks and bankers actively engaged in business? But here is the note, *verbatim* name of writer only omitted:

—————Bank.

—————R. I. Dec. 13, 1879.

Messrs. Bradford Rhodes & Co.

GENTLEMEN.—Enclosed I hand you check for \$6.00 to pay for sample numbers of *Rhodes' Journal of Banking* ordered sent to this bank this year, and for subscription to same for 1880.

I have mislaid the bill you sent me, or should have sent this before.

Our bank has been in a suspended state between three and four years and we can hardly afford any unnecessary expense, but I like your journal and want it, and therefore send for it.

Yours respectfully,

W. P. T. Cashier.

[From the *New York Journal of Commerce*.]

"*Rhodes' Journal*, a record of American Banking, for December is out (Dec 10), and is a very interesting number. Among the leading features this month is an exhaustive review of the events in the stock market during the month past, pointing out the causes which brought about the disaster of the 21st ultimo."

[From the *New York Financial Chronicle*.]

"Messrs. Bradford Rhodes & Co., of this city, are the publishers of an excellent monthly magazine, known as *RHODES' JOURNAL OF BANKING*, which contains, in an attractive form, all that is worth preserving in the field of banking and finance: an intelligent discussion of current financial topics, together with a carefully edited record of interesting events. It is comprehensive and readable. Each yearly volume is fully indexed for reference, and the form of the magazine is convenient for binding."

Start Right in 1880---An Index of Success for the Future.

The constantly increasing constituency of our JOURNAL OF BANKING is made up in a large degree of a class of representative banking men, to whom words of sound advice are always welcome.

It can truthfully be said that those who constitute the banking class are, in more than one sense, representative men. They must necessarily rank high in the communities where they reside; they are as a class not poor, in the common acceptance of the word as regards worldly possessions, but on the contrary they are looked on by the world as rich and influential.

The true rank of these men being defined and well understood, the question may in all soberness be asked, "*Is their power and exceptional advantages wielded on the side of righteousness, justice, and truth?*" As one great class, the question can safely be answered in the affirmative. But who does not know that many—too many—only float with the current of good, and never use the great advantages which accompany this class down the river of life, never *do* anything on the side of right, and then when temptation comes they are so weak from inaction that they fall, and, in so far as the world can discern the facts, their degradation and shame casts discredit on the entire class to which they belong, good and bad alike.

Dear reader! Are you of those who float with the stream? Take counsel and begin with the opening of the year 1880, and strike manfully in behalf of God and humanity. You will grow strong in so doing—strong enough to withstand the greatest temptation, and make for yourself a record and a name which will carry you forward to a happy, abiding success.

Banking circles all over the country, as well as in New York, are shocked by the scandalous revelations in the Grocers' Bank of this city, which has just been placed in a receiver's hands at the instance of its own Board. J. Lloyd Haigh, a wire contractor, failed, and it was given out that on account of the failure, the bank could not go on. But now the facts are unearthed. Haigh is charged with issuing something like \$100,000 of forged paper, the greater part of it (one account says \$97,000) being held by the unfortunate (?) Grocers' Bank. Can we in justice use the word *unfortunate* in this case? Confidence in business men is lessened, justice is outraged, and the revival of good times is seriously checked. On what basis of banking principles could a bank with \$225,000 capital loan any one man \$97,000, or any considerable part of it, even on the best paper! Besides, the officers of the bank knew (or if not, it was their business to know), that Haigh was doing a reckless business, and was not in the true business sense entitled to any credit whatever.

THE FINANCIAL REVIEW OF 1879.

The year 1879 was the most remarkable in our history. There was an almost complete recovery in business from the depression of the previous five years, and a rise in values of all speculative property more rapid than has ever been witnessed in this country at least. The chief influences operating to bring about this condition of affairs were the resumption of specie payments and the rapid refunding of the public debt. The latter would have been scarcely possible had the former been a failure, and specie payments were successfully maintained, mainly by reason of the confidence of the people in the sufficiency of the preparations for them, and in the ability of the Treasury Department promptly to counteract any influence which might tend to defeat the plan.

The crisis, so far as regards resumption, had passed when gold began to flow hither from Europe. By the end of May the legal tenders presented for redemption at the Sub-Treasury in this city amounted to \$5,262,312, while the gold received by the Treasury, for which United States notes were exchanged, reached the sum of \$4,860,005, showing that the payments of gold were only \$402,307 in excess of receipts, and the year's record shows that the excess of redemptions over coin received was \$1,539,203. By the end of the first quarter of the year the desire for gold on the part of those in the interior, who, by the terms of the Resumption act, were debarred the privilege of obtaining the coin in their own cities, had been satisfied, and early in December merchants and bankers at western points were willing to pay one half of one per cent. premium over gold for notes, thus completely reversing the situation of a year before. By the 1st of October the Treasury had made resumption general throughout the entire country, and then it was compelled to disburse gold coin to the banks of this city, in settlement of balances at the Clearing House and for other purposes, to such an extent that the institutions were obliged to designate one of their number as a repository for the coin.

The specie imports during the year reached the unprecedented amount of \$83,778,409, of which \$75,853,707 consisted of gold, the bulk of it coming from Europe to pay for grain, the purchase of which from us became necessary by reason of deficient harvests abroad. This foreign gold did not aid in bringing about resumption, for the first importations were not received until June. It did, however, greatly stimulate the speculation in stocks and staples, and augmented the reserves of the banks at a time when their resources were strained to the utmost to meet the demands made upon them by reason of the enormous business which was being done at inflated prices. These facts show that specie payments could have been and were maintained without the aid of this foreign gold, and had our crops and those of Europe been nearer the yearly average in amount, we might not have

had the wild speculation which was indulged in during the last half of the year, but the permanence of specie payments would not have been endangered. The assurance early in the year that the currency of the country was on a specie basis, laid the foundation for a revival of legitimate business, and made possible the rapid refunding of the public debt. The calling in by the Treasury of bonds bearing six and five per cent. interest, compelled holders to accept either four per cent. bonds in exchange, or to search in the market for securities that would yield them a better rate of income. Thus was the speculation in stocks and bonds started. It was stimulated later in the year by the flow of gold from Europe, which, as soon as the extent of the harvests could be calculated, gave an impetus to operations in grain. The enormous yield of cereals in the West and Northwest, was mainly instrumental in the extension of railroad lines, so as to facilitate the transportation of the immense crops in the already developed sections, and in those which were being opened to settlement by farmers who, it was expected, would devote their attention to grain growing. The building of 3,738 1-2 miles of new railroad track during the year, with the additions to rolling stock made necessary by the increased traffic of the railroads, started the movement in the iron interests. Almost all other branches of business became active early in the year. It was seen that in specie resumption was the basis for our future prosperity. Some had sat with folded hands waiting anxiously every year since the panic for a turn in the tide. Others had employed themselves as best they could in making preparations for that revival which they saw must come in the natural course of events. The change in our currency from a note to a coin basis, was the signal which aroused all classes of our business men, and set them energetically at work to repair the ravages which had been wrought by the panic.

Great credit for the brilliant success of the past year is due Secretary Sherman. He rendered operative the resumption act which had lain almost dormant during the administration of his predecessors, they succeeding only in effecting redemption of the fractional currency. Mr. Sherman early determined to carry the act, which he framed while in the Senate, into effect, and he commenced accumulating coin for the purpose. He was met at the outset by opposition from Congress, first by the passage of the silver bill, which unsettled confidence in the funded loan upon which he relied for the procurement of a supply of gold, and next by the passage of the act of May 31, 1878, which arrested the contraction of legal tenders in the proportion of 80 per cent. of the amount of new bank circulation, fixed the volume of United States notes at \$346,681,016 and compelled the reissue of notes after redemption. The original intention of the resumption act was to reduce the volume of legal tenders to \$300,000,000 and had this been done, not only would there have been no question of the ability of the Treasury to maintain at par, in coin, this amount of notes, but

the country would not now be disturbed by the discussion of propositions to make redemption such in fact as well as in name, either by a judicial decree against the validity of the act of 1878, or by the repeal or amendment of that law by Congress. In brief the currency question would doubtless have been set at rest, almost beyond the chance of resurrection by the politicians, had the resumption act of 1875 been allowed to stand intact.

It needed a bold man at the head of Treasury Department while preparations were making for resumption, and Mr. Sherman was equal to the emergency. He succeeded in accumulating a coin reserve sufficient for the purpose, without drawing it to any great extent from Europe, thus refraining from antagonizing financial interests abroad. Having obtained the coin reserve, he laid his plans for carrying into effect the law. He first called to his aid the banking interests of the country. The associated banks of this city held an average of \$40,767,100 legal tender notes at the end of the year 1878, and had any considerable portion of these been presented for redemption on the first of January last the plan for resuming specie payments might have been endangered at the outset, and confidence in the ability of the Treasury to resume received a blow from which it would not soon have recovered. Mr. Sherman conferred with the banks of this city, and the result was an individual agreement on the part of each that they would not present their legal tenders for redemption, neither would they receive special deposits of gold. The Secretary on his part agreed that he would not force upon the banks the standard silver dollar, and in order to insure success in these measures, the Sub-Treasury was admitted to the Clearing House with all the privileges of a bank. The chief use for gold previously had been for the payment of duties, and for interest upon the public debt. Mr. Sherman decreed that on and after January 1st, United States notes should be receivable for duties at all the Custom Houses. Thus he checked one important item in the current demand, and during the year \$78,562,000 legal tenders were received for customs in lieu of gold at this point alone. The demand for gold for interest on the public debt, and for the redemption of such legal tenders as might be presented by individuals, he was prepared for with over 38 per cent. of coin. The Secretary prevented any drain of gold from the country by negotiating with a European syndicate for the sale abroad of \$30,000,000 four per cents., and the exchanges were, by this means, kept so far below the gold shipping point early in the year that only an insignificant sum of gold went to Europe.

Refunding the debt was regarded by Mr. Sherman as of importance only second to that of specie resumption, and he devoted all his energies to the accomplishment of his object. He succeeded beyond precedent, calling in for refunding during four months \$541,869,500, against \$303,476,450 for the previous twenty-two months. This rapid refunding was greatly facilitated by specie payments, but it would not

have been possible had not Mr. Sherman exercised his authority at times in such directions as relieved the pressure upon the market, which resulted from these enormous transactions. His acts in this regard have been sharply criticised, but as the public interests did not suffer in the least by reason of his lenience, his course may readily be excused. The artificial ease to the money market, caused by the proceeds of sales of bonds being allowed to remain within the depository banks, aided in the negotiation of the four per cents., and fostered speculation in them as well as in all other securities. Mr. Sherman is in no way responsible for the speculative transactions in the bonds, and sought by every means in his power to discourage them, desiring that the securities should go into the hands of permanent investors.

Money on call was in good supply until the latter part of March, when there was a slight derangement caused by the bond settlements falling due, but early in April this trouble was removed by Mr. Sherman directing the Treasurer not to draw the deposits from the banks unless the money was required for the payment of called bonds. From this time until about the middle of August money ruled easy. Then came Treasury orders for settlement of the balance due on the four per cents., and advantage was taken of this by the bears in stocks to manipulate the market. The postponement of final adjustments of the bond transactions until October 1st, aided in restoring ease to the market, but very soon it felt the effect of the drain of money for crop purposes, and the extraordinary demands upon the banks by reason of the enormous speculation in stocks and all description of property, and lenders began to discriminate against a certain class of stocks known as "fancy," to such an extent that borrowers with this kind of collateral in excess, were refused accommodation to the extent that they required, and were forced to apply at the Stock Exchange, where high rates were demanded. The banks at this time began seriously to consider the situation, and some regarded it as very grave. Prices of stocks having little intrinsic value had been carried to elevations from which they might fall at any moment, with force sufficient to drag down the whole market with them. Some of the Wall Street banks, impelled by a desire to extend all reasonable accommodation to such of their customers who required it, slightly overstepped the law forbidding false certification of checks, and thereby compelled the interference of the Comptroller of the Currency. The inquiry by Mr. Knox, through the Bank Examiner, into the practice of false certification, caused a flurry in the market, which advanced the rate on call to 5-8 of one per cent. per day commission, in addition to the legal interest—the highest point of the year. By October 25th the reserves of the associated banks had been drawn upon to such an extent by the demands from the interior for crop and other purposes, that, for the first time since March 13, 1875, they fell \$82,700 below the rule of twenty-five per cent. reserve to deposits, and by November 8 they were \$671,-

225 below. The next week the banks showed a surplus of \$5,788,300, in consequence of the payment by the Treasury of about \$10,000,000 for 6s of 1881, bought for the sinking fund on the previous Monday. After this came the crash in the stock market on November 21st, which unsettled money temporarily, but the liquidation of the bull speculation lessened the demand for funds, and the market was moderately well supplied until just before the close of the year, when the preparations for the January dividends, aided by manipulation, made money active.

The business of the year in stocks, as officially reported at the Stock Exchange, amounted to the unprecedented total of 72,765,762 shares, of which 28,841,127 were sold during the last quarter, and 15,798,755 in the third quarter. In 1878 the total sales for the year were 39,875,593, in 1877, 49,832,960, in 1876, 39,926,039, and in 1875, 58,813,979. The largest transactions last year were in Erie, 11,923,795, Delaware, Lackawanna & Western, 8,112,364, Lake Shore, 6,560,164, Northwest common, 5,919,262, St. Paul common, 5,565,741, Central New Jersey, 3,266,565, Western Union, 2,622,071, Wabash, 2,678,267, and Pacific Mail, 1,928,266. The sales of railroad mortgages are reported at \$367,173,500, of which the Erie second consols were \$116,180,000, and the Erie funded five per cents. \$11,948,500. The recorded sales of Government bonds were \$112,500,000, not including the direct sales by the Treasury for refunding. State bonds to the amount of \$22,643,150 were disposed of during the year, Louisiana consols leading the list with \$9,295,000, and District of Columbia following with \$7,330,000.

Active stock speculation requires skillful leadership. The market had such early in the year, when Mr. James R. Keene and his associates, having had control since early in the previous October, carried the market upward upon the theory that, with resumption, would come renewed prosperity, which would certainly stimulate stock speculation. This bull movement culminated late in January, when Mr. Jay Gould, by a vigorous raid, routed the bull clique and succeeded in thoroughly demoralizing the market. There was a partial recovery after this, consequent mainly upon a truce between the contending factions, part of the terms of which was the sale by Mr. Gould to the Keene clique of a block of 100,000 shares of Union Pacific, he taking in part payment Northwest stock. There was no very prominent feature to the market—which was from time to time manipulated by the cliques—until about the middle of April, when the enormous bond negotiation on the 17th—which resulted in the call of all the sixes and fives that could then be reached for refunding—laid the foundation for the wildest speculation that the country has ever witnessed.

Mr. Gould was one of the leaders with his line of Wabash and Southwestern stocks which he had bought at very low figures, intending to greatly enhance the intrinsic value of the properties by combinations

and consolidations. Mr. Keene led with Central New Jersey and the coal shares, and operators of lesser note followed in the wake with their favorites. The calling in of over \$500,000,000 government bonds by the Treasury had created such a demand for other first-class securities that they were nearly swept from the market. Investors searched for dividend-paying stocks or bonds of assured standing, and finding the prices high, mainly by reason of the limited supply, made inquiry for properties which might reasonably be expected to reward by an advance, patient waiting. The stocks of the Granger roads and of the trunk lines looked to them very tempting, and they were freely bought. The fair promises for the future held out by stocks and bonds of Southwestern and other roads that had been or were then being re-organized, induced many to purchase them. This buying, partly for investment, but mainly for speculation, naturally caused a rise in the market, to resist which the most determined efforts of the bears were unsuccessfully directed.

In June gold began to flow hither from Europe. The crop reports from abroad showed that there would probably be a large deficiency, while the accounts from the Northwest made the outlook here very favorable. The street was filled with reports regarding the intentions of the cliques with respect to special favorites, and every one realized the fact that the tendency of the market was decidedly upward. Late in August the coal stocks were broken down by a failure to bring about a combination of the coal interests, and money became active in consequence of the demand by the Treasury for bond settlements. But Mr. Gowen, of the Reading, devoted himself energetically to an adjustment of the differences between the coal barons, with partial success, and Mr. Sherman extended the time for the bond settlements to October 1st. Thus were removed the obstacles to a further rise in the market, and, stimulated by the favorable influences then ruling, stocks were whirled upward, first by the cliques, and then by outside speculators, with a rapidity and apparent confidence that startled the more conservative men of the street. It needed but a hint that this or that capitalist, or leader in the market was buying a certain property to set almost everybody else after it with an eagerness born of fear that there would not be enough of the stock to go around. Shares that had the least intrinsic value, and some of them not even entitled to recognition at the Stock Exchange, actually advanced faster, by reason of the "points" in circulation regarding them, than stocks having real merit.

This wild race after share property continued until toward the close of October, when active money and the influences referred to above, caused a halt in the speculation, but the stimulus was again applied by the artificial ease in money, resulting from the purchase of bonds by the Treasury for the sinking fund, and the market bounded upward to meet a final check on November 21st, when the bull

movement culminated. The outsiders were the sufferers in this instance, the leaders and their immediate followers having unloaded their stocks, and paused at the brink of the precipice to watch the final plunge of the reckless speculators who, lured on by the hope of greatly augmenting their gains, lost all. After the crash the market recovered, being aided by the rumors accompanying the sale by Mr. Vanderbilt of 250,000 shares of New York Central to a syndicate representing European bankers and those interested in the Gould properties, but subsequently the tone became unsettled by reason of clique manipulation and the activity in money, natural at the close of the year.

The outlook for the future is cheering. The only cloud visible is that which rose after the crash in stocks in November, and even that is fast disappearing. It is perhaps fortunate that the wild speculation received the check it did, for had it not been arrested it might have been carried to a point which would have endangered other and far more important interests. The crash taught a lesson which will not soon be forgotten, and if speculators take heed they may make their future operations far more profitable than they have been. There is a limit to the financial resources of the country. There is no way under existing law by which the currency can be expanded as it has been in former years—except perhaps by the increase in the circulation of the standard dollar, and even then only by expenditures by the Treasury in excess of receipts—and speculative and business operations must be so regulated as to conform to the available amount of money in the country. The currency is now better than it has been since the beginning of the war. It might be improved, but there is little hope that it soon will be. Still it is good enough for present purposes, and we may wait patiently for such action on the part of Congress as will make it as nearly perfect as it is possible to expect. We do not think that there is much probability of an enforced return to a note basis. The law and the assumed powers of the Treasury are sufficient to enable specie payments to be maintained, even if the trade balance should become so greatly against this country as to carry back to Europe the gold which has been sent hither during the past year. Much, however, depends upon public confidence in the ability of the Treasury to maintain specie payments, and it is hoped that nothing may occur to unsettle it. If the country can remain upon a specie basis, there is no reason why we may not continue to prosper. We have all the elements necessary for success, peace at home, a boundless extent of territory, untold wealth in mines and fields, and an energetic people, ever ready to surmount all difficulties, no matter how great. Therefore let all apply themselves vigorously to the task they each have in life, and with the surrounding advantages they enjoy they may reasonably expect their share of success.

MR. COLEMAN ON CALIFORNIA BANKS.

[Hon. E. J. Coleman President of the Board of Bank Commissioners, in this article furnishes a favorable exhibit of California banks. He has been obliged to use figures of the latter part of '77 in some cases, but his comparisons on the whole will be found interesting. Mr. Coleman is evidently a staunch friend of the banks of his State, as he ought to be; would that we had an intelligent *friend* of the banks, instead of an enemy, at the head of the Bank Department of the Empire State.]

"The following comparative table may be interesting to many persons, especially those who are depositors in the banks of this State. The table gives certain aggregates, compiled from official reports of the savings banks of nine Eastern States, and similar aggregates from the semi-annual statements of the California savings banks to the Bank Commissioners. It has been my endeavor to present these items in a tabular form which may be readily understood, and from which comparisons can easily be drawn. It will be seen at a glance that California heads the list in the greater security afforded depositors by a much larger ratio of "Guarantee Fund" to liabilities. In the Eastern States savings banks with capital stock are hardly known; they are, almost without exception, on the "mutual plan." In California, on the contrary, out of twenty-three savings banks, only three are "mutual" associations, in the strict acceptance of the term. A difference of opinion exists as to the relative merits of the two plans, but it is out of place and not my intention to discuss this question now. It is to be regretted that later reports have not been received from some of the States mentioned in the table,* so that the comparative estimates might all be of nearly the same date. And it is to be hoped that all the States of the Union will soon by law require annual banking statements throughout the whole country to be made as of the same day, either June 30th or December 31st being most appropriate for this purpose.

By reference to the table it will be seen that of all the States named, Rhode Island has the lowest ratio of guarantee fund to liabilities (2.70 per cent.), and that Massachusetts has very little more (2.80 per cent.). The latter State was weaker in this respect on the 1st of November, 1877, than at the later date given in the table. Its ratio increased from 2.11 per cent. in November, 1877, to 2.80 per cent. in November, 1878. The corresponding ratio of California on the 1st of July, 1878, was 10.23 per cent., but was increased on the 1st of January, 1879, to 11.65 per cent., or more than four times as great as that of Massachusetts, November 1. 1878. The surplus (guarantee fund), reported by New York on January 1, 1878, was on the basis of the cost of real estate owned by the banks, but if estimated at its appraised value the ratio would be 9.36 instead of 10.16 per cent. In that case the

* Compiled from latest obtainable reports.

Table Relating to Savings Banks.

NAME OF STATE.	No. of Bks.	Deposits.	*Guarantee Fund.	+Liabilities.	Guarantee Fund to Liabilities.	Money on hand and in Banks.	Ratio to Liabilities of Cash.	Total Assets.	Invested in Real Estate.	Assets in Real Estate.
Maine.....	60	\$25,708,472	\$1,127,825	\$25,770,607	per cent. 4.57	\$963,068	per cent. 2.57	\$26,868,432	\$905,010	per cent. 2.98
Rhode Island.....	37	44,103,119	1,256,591	48,180,217	2.70	698,570	1.43	49,486,138	925,622	1.87
New York.....	136	812,823,053	32,050,550	314,675,652	10.16	18,281,652	6.84	49,486,138	11,215,402	3.24
New Jersey.....	37	16,353,275	778,480	17,554,695	4.42	861,099	4.89	18,373,184	778,750	4.25
New Hampshire.....	66	28,799,549	1,402,721	28,815,480	4.57	747,386	2.86	30,218,211	+	+
Vermont.....	16	6,722,691	339,451	6,739,969	5.03	399,493	5.83	7,079,420	147,253	2.10
Maryland.....	8	16,759,206	732,507	20,008,327	3.66	671,494	3.34	20,740,814	210,804	1.05
Connecticut.....	86	72,515,466	2,852,120	73,172,486	3.80	2,016,555	2.75	76,024,046	3,707,133	4.88
Massachusetts.....	168	200,890,631	6,873,686	210,381,121	2.80	8,164,223	3.80	216,554,707	8,292,227	3.84
Totals.....	614	\$740,615,499	\$46,453,140	\$745,348,564	6.23	\$32,604,430	4.37	\$791,801,734	\$29,082,303	3.30
California.....	28	\$70,984,704	\$7,401,180	\$72,372,159	10.23	\$4,725,822	6.53	\$79,773,330	\$4,824,611	6.04
California—Bks retired in interval.....	23	57,840,023	6,876,638	63,422,876	11.45	2,106,000	4.98	65,220,912	3,378,705	5.20
California—Changes for } increase. } decrease.	5	11,341,268	113,925	11,455,000	5.80	786,566	6.57	12,686,056	2,117,692	17.15
		1,767,470	119,182	1,976,233		1,063,317		1,631,671	728,786	

* Guarantee Fund of the Eastern banks is the total of surplus, reserve and undivided profits; of the California banks it is the total of capital paid up and reserve funds.

+ This is the total of all liabilities other than the so called "Guarantee Fund."

* The New Hampshire Bank Commissioners give \$1,256,516 as "amount invested in real estate, fixtures and sundries," so it is not included in table.

average ratio of the nine Eastern States would be 5.80 instead of 6.23 per cent., or about one-half that of California (11.65) on the 1st of January. As a rule, our banks have to carry more money, relatively, than those in the East, because we have a smaller line of readily convertible stocks and bonds to deal in outside of mining stocks, which, very properly, the savings banks are prohibited by law from investing in or loaning upon. The ratio of cash to liabilities on July 1, 1878, was 6.53 per cent. in California, which was greater than in any other State named in the table. But the unusual withdrawal of deposits since the examinations of the commissioners began in August, 1878, reduced this ratio to 4.98 per cent. on first January, which was more, however, than the average, (4.37 per cent.) of the Eastern States. There is one unsatisfactory element in the statements of California banks, namely, the amount of real estate held in excess of what is necessary for bank premises. But it is gratifying to observe that the percentage of assets invested in real estate has been reduced from 6.04 per cent. on 1st July to 5.20 per cent. on 1st January by the elimination from the statement on the latter day of the five banks in liquidation, which had on July last 17.15 per cent. of their assets in real estate, the cost of which was nearly three times as much as their guarantee fund. This, it is hardly necessary to say, was an evidence of bad management, and contributed in no small degree to the difficulties in which they became involved. When it is taken into consideration that the Commissioners have in many instances required the banks to write down the values of their property since the above date, the exhibit on the 1st January is a matter for congratulation. The table shows how much our savings banks surpass those of the East in the margin for the security of depositors derived from a larger average guarantee fund

Another table which I have prepared presents a comparison between the ratio to liabilities of the capital, surplus and undivided profits of the commercial banks of California and those of Great Britain, The United States and New York. An examination of this table will show that the comparison is greatly in favor of the California banks, more so even than the other table in regard to our savings banks. The most striking difference is between the ratio of the San Francisco banks and those of England and Wales, the former (144 per cent.) being more than eight times greater than the latter (17.80). The ratio of San Francisco is six times that of the United Kingdom, four times that of the Bank of England, and two and one-half times that of the national banks of the United States. The ratio of the State of California (San Francisco included) is four and one-half times that of the United Kingdom, more than double that of the State banks of New York and of the national banks of the United States, and five times that of the national banks of New York City. E. J. Coleman."

SAN FRANCISCO, December, 1879.

FRENCH SAVINGS BANKS.

(The American Register, Paris, France.)

The savings bank system in France contrasts favorably with that of all other civilized countries in one most important particular, and that is its indestructible solvency. Since the establishment of the first savings bank in France on the 29th day of July, 1818, a period of upwards of sixty-one years, there has not occurred a single instance of the bankruptcy of one of these useful institutions. It may be further added that not only has there been a complete absence of insolvency, but there has not occurred a single instance of grave mismanagement. M. Maurice Block, the well-known economist, in a most useful work on French administration, says, writing on the subject of savings banks: "There is no example of the withdrawal of government authorization from any savings bank, pronounced as a punishment for faulty management." When the distress and heart-burning which the failure of savings banks has produced in the United States and Great Britain is considered, it becomes an interesting subject of inquiry how it has happened that the French savings bank system has avoided the rock on which the savings banks of other countries have so often shipwrecked. We therefore propose first to give an outline of the French savings bank system, and, secondly, to show what portion of it could be safely imported into our own system, without destroying the character of individual initiative, upon which our institutions are all more or less founded. In France, the initiative step in the founding of savings banks must proceed from a municipal council. The municipal council submit their project to the Prefect of the Department, who refers it to the Minister of Commerce, and thence to the Council of State, by which body the project is examined, first in the section to which it belongs, and then by the general meeting of the Council. Finally the project is authorized by the President of the Republic, and the proposed savings bank has commenced its official life. The mayor of the district and a certain portion of municipal councillors must, by virtue of their office, belong to the savings bank committee of management, and the other members are chosen from among the inhabitants of the municipality. None of the members of the committee of management are permitted to receive any remuneration for their services. The managers and cashiers are appointed by the municipal council, and these officers are bound to deposit caution money in the government institution, called the *Caisse des Depots and Consignations*. This caution money is fixed at 20,000fr., and 40,000fr. for the departments, and must be a bona fide deposit in money. The savings banks are bound to have two reserves, the one called the "*fonds de dotation*," and the other the "*fonds de reserve*." The first consists of the subvention voted by the municipal council, which is inalienable, and must be deposited with the *Caisse des Depots and*

Consignations, and the second reserve proceeds from the retention of a fourth to a half per cent. from the interest allowed to depositors. This latter fund may be disposed of by the council of management, in case the expenses of the savings bank exceed their profits. The minimum deposit in a French savings bank is one franc; and the maximum 1,000fr. All sums over this last amount are invested in French Three-percents for account of the depositors free of charge. The deposits must be paid integrally within twenty-four hours of receipt by the savings banks into the Caisse des Depots and Consignations, and the sums required for disbursements and depositors' drafts are withdrawn from the Caisse des Depots and Consignations, according to a statement of requirements sent into the Caisse des Depots. This mode of operation necessitates notice on the part of depositors desirous of withdrawing their funds. The savings banks receive interest for the sums paid into the Caisse des Depots and Consignations, but the Caisse des Depots is only responsible for deposits while they remain in its possession. The government guarantee therefore, exercised through the Caisse des Depots, is not direct but indirect. The Minister of Finance exercises a surveillance over the savings banks, through the instrumentality of the revenue collectors, who are bound to examine into the condition of the savings banks in their districts every three months, and to report thereon to the Minister. The committee of management of the savings banks are on their side bound to furnish annually to the Prefect of the Department, a detached statement of their annual operations. It results from the outline we have given that the great feature of the French savings bank system is government supervision, added to municipal responsibility. As municipalities in France are guiltless of the sin of repudiation, the responsibility is a real one. Let us now see what part of this admirable system we could import into our own. Municipal responsibility, unhappily, would not be considered in the United States as invariably a first-class guarantee, and we could not do away with individual initiative, to which, with all its shortcomings, our country owes its prosperity. We could, however, adopt the French plan of stringent government control. Were our savings banks as carefully legislated for and supervised by government officers, as our national banks, the risks which American depositors are at present subjected to would be much reduced. It must not, however, be supposed that French depositors have never trembled for their balances; they have passed through two crises, but have come out unscathed. The first was in 1848, when the French government of the day forced the savings banks into liquidation, and turned all savings bank funds into rentes in the name of the holders. The second crisis was during the Franco-German war, when depositors were forbidden to withdraw from the banks any sums exceeding 50fr. per month. This, of course, created great inconvenience, as the year before the war the deposits in all French savings

banks aggregated 640,000,000fr., held by nearly two millions of depositors. Still, as no money was really lost by French depositors in savings banks, depositors had no real ground for complaint, and it may be said that the system is truly admirable, which, despite of internal revolution and foreign war, effectually gurranteed the savings of the poor. French governments and French people may have faults, but the thrift of individuals and the financial probity of their rulers, form a great and noble national characteristic.

The Atlantic and Pacific Land Grant.

Mr. Henry V. Poor, editor of "Poor's Railroad Manual," asserts in a communication to the "Boston Advertiser" that the grant of 42,000,000 acres of land to the Atlantic & Pacific Railroad Co., which the St. Louis & San Francisco claims to have inherited, was made upon condition that work should be commenced upon the road before July 27, 1868, and the whole road completed by July 4, 1878. Mr Poor says that as not one mile has been built the grant has lapsed. He also says:

About one half of the proposed road from the Rio Grande to San Francisco lies in the State of California, over which, in the matter in hand, the federal government assumes no jurisdiction whatever. The charter itself, by implication if not in direct terms, is restricted in its operations to the public domain. Lands may be condemned under it for the use of the road, but only in the territories. Before the company can move in a state it must become a corporation under the laws of that state. The Atlantic and Pacific railroad was authorized to unite with the Southern Pacific, but with no other. It cannot do so without a special act of congress. In addition, he estimates the cost of the proposed road on account of the obstacles to be overcome at \$80,000 a mile or about \$80,000,000 for the entire thousand miles, and if it should be built it will he says, have to encounter an opposition from the Union and Central Pacific roads which will be fatal to its prosperity.

In reply to these allegations Mr James Baker, who was the attorney of the Atlantic & Pacific from its inception, puts in a general denial as follows:

I aver that the statements in that article, with a few unimportant exceptions, are either untrue or gross exaggerations of the facts. If Mr Poor desires to furnish the public with correct information in respect to the enterprise, it will give me pleasure to produce the data showing that the line adopted by the Atlantic and Pacific Railroad will be cheaper, of lower gradients, less altitude and through a better country than any other authorized line, and that there has been no forfeiture of the land grant or of any of the chartered privileges.

The Foreign Exchanges—When Gold Moves.

[The following article and table, by the editor of the London "Banker's Magazine," will command the careful consideration of American Bankers interested in the gold movement.]

LONDON, December, 1870.

So considerable have been the recent transfers of bullion from one country to another—first from England to Germany, then from France to England, then from France to America, and lately from England to America—that it is well to indicate the points in the foreign exchanges at which such ebbs and flows of gold may be expected to recur. This is shown in the following table, in which the central column indicates "par," or the point at which the remittances between two countries practically counterbalance each other. As soon, however, as (say) France has more to pay to us than we have to pay to France, there is an excess of demand for bills payable in London. Hence, French remitters will pay more francs and centimes for sterling bills, and the exchange (quoted in francs and centimes per £1) rises. If, instead of paying par, or 25 francs 22 1-2 centimes per £1, the demand increases till the rate is forced up to 25 francs 32 1-2 centimes, France is willing to pay an additional 4 per cent. (4 per mille) of her own coin for English paper, an amount sufficient to cover the cost of purchasing bullion from the Bank of France, and remitting it to London. At that point, therefore, bullion comes instead of bills. On the other hand, at 25 francs 12 1-2 centimes, it pays to buy gold from the Bank of England to remit to Paris in place of bills payable in francs. London, however, is the great bullion market of the world, and it pays to take any gold which may be in this market before it pays to buy from the Bank. Hence, at 25 francs 15 centimes, gold in this market will no longer go into the Bank, but will be taken for Paris. In respect to the Brussels rate, it is more commonly the practice to remit through Paris, but both Germany, Holland, and New York deal to a large extent directly with this country, and fluctuations in the exchanges are constantly occurring, as the balance may move more in their or our favor. If Portugal takes gold from us, it is in the form of sovereigns, which are current there for 4 1-2 milreis, while she remits sovereigns to us if she has them. Spanish remittances are for the most part made through Paris. Finally, it should be remarked that the published exchanges often differ considerably from the rates given in the following table, because the quotations so published are for bills at 60 or 90 days' sight. "Short exchange" is practically subject to no allowances on this account, but to the New York rate on London, which is telegraphed to the newspapers, we must add two months' interest at the rate of the day; to the Lisbon or Madrid rates we must add three months' interest; while from the Paris, Brussels, German, or Dutch, three months' quotations (if short are not obtainable), we must deduct three months' interest at the rate of the day, to make a just comparison.

Table of Principal Gold Exchanges, together with the Points to which Gold will Move.

	For us.					Par.	Against us.							
	5 Per Mille.	4 Per Mille.	3 Per Mille.	2 Per Mille.	1 Per Mille.		1 Per Mille.	2 Per Mille.	3 Per Mille.	4 Per Mille.	5 Per Mille.	6 Per Mille.	7 Per Mille.	8 Per Mille.
Paris	Gold 25.35	(a) Gold 25.32½	25.30	25.27½	25.25	£. 0. 25.22½	25.20	25.17½	(b) Mar. 25.15	(c) Bank 25.12½	Bank 25.10	Bank 25.08	Bank 25.06	Bank 25.04
Brussels...	Gold 20.52	20.50	20.49½	20.47	20.45	25.22½ m. p.	25.20	25.17½	25.15	25.12½	25.10	25.08	25.06	25.04
Germany...	Gold 12.8½	12.8	12.78½	12.76½	12.74	11. 8c. 12.72	20.41	20.39	20.37	20.35	20.33	20.31	20.29	20.27
Holland.....	47¼	47	5-16	47½	47.7-16	pence 47.9-16	12.1½	12.1½	12.1½	12.1	12.0½	12.0½	12.0½	12.0½
Madrid.....	52¾	52	52-16	52¾	52.15-16	pence 53	53.1-16	53	53	53.3-16	53¾	53¾	53¾	53¾
Lisbon ...	Gold 4.89	4.88½	4.88	4.87½	4.87¼	4.86¾	4.86¼	4.85¾	4.85¾	4.84¾	4.84¼	4.83¾	4.83¾	4.83¾
New York..														Bank 4.83¾

(a) "Gold" placed over rate of exchange indicates the point at which gold will come to London.

(b) "Market" placed over rate of exchange indicates the point at which gold will go from London market.

(c) "Bank" placed over rate of exchange indicates the point at which gold will be bought from the Bank of England.

Encouraging reports continue of the shipment of gold from England to this country. An exceptional feature is the purchase of gold in the open market in London for export to America. Such a transaction was recorded there Jan. 6, the amount being \$175,000. Our English cousins do not like this sort of thing, so we may soon expect them to send back some of our bonds in partial payment for the cotton and grain we are sending them.

Bank Officers' Provident Funds in England.

[The following from the London "Banker's Journal," is re-published for the benefit of bankers in the United States, as showing the feeling manifested towards the "Provident Funds" in England. The spirit of civil service, together with promotions for merit, which in a large degree prevails in all classes of business in the Old Country, makes it possible to include both officers and clerks in their Mutual Benefit Associations. In some localities, we are glad to observe, the same spirit of union is practiced in this country. The value of these associations can hardly be over-estimated, but they should include bank officers and bankers, as well as bank clerks and be lawfully incorporated under a name something like: "*Bankers' and Bank Clerks' Mutual Aid Society*." With that due appreciation of faithful service which gradually promotes the lowest clerk to the highest officer, there is every incentive to unite the entire working force of a bank in the Christian-like duty of providing against a day of need. Not only the members of such associations, but the stockholders of banks, and their customers, benefit in a large degree by the successful operation of these provident associations.]

We continue on this occasion the record of the progress which has been made (in England) in establishing funds to provide retiring allowances for aged and infirm bank officers, as we have done in the December number of this Magazine for 1877 and 1878. The most important movement of this description which we have to notice is that of the Union Bank of London. Mr. Robert Colquhoun Fergusson, the governor, mentioned at the half-yearly general meeting of the proprietors, held 6th January, 1879, that it had long been the wish of the board to establish a pension fund "for the benefit of their officers and clerks, as a body whose integrity, ability, and devotion to the interests of the bank were worthy of all praise. A nucleus for this fund already existed in their hands, amounting to £20,000, formed by the payments of the clerks themselves under their agreements when they entered into the service of the bank; and it would only be necessary to add moderate sums hereafter from their profits, which he was sure they would not grudge." A resolution to this effect was carried at the general meeting, and referred to a special general meeting of the proprietors, held on 26th February. Mr. Archibald Cockburn, the deputy governor, presided on this occasion, in the absence of Mr. R. C. Fergusson, the governor, who was unable to be present. Resolutions confirming the arrangement proposed at the general meeting were then carried, and the scheme, which was cordially accepted, was unanimously approved.

With regard to other banks the annual report of the Hibernian Bank states that "the directors have allotted a further sum of £500 to the officers' pension fund. The half-yearly reports of the London and Westminster Bank, January 15th and July 16th, mentioned, "making the necessary provision towards the pension fund and life insurance." The half-yearly report of the Bank of Bengal, 31st December, 1878, contains under the head of disbursements the item "pensions, rupees 9,802." The half-yearly report of the same bank, 30th June, 1879, contains the item, "transferred to gratuity fund, rupees 500,000,"

with the observation, "The transfer to gratuity fund is in furtherance of a scheme for providing pensions or gratuities to the bank's European officers after long service, as referred to in the directors' report for 1874." In the accounts of the Bank of Madras to the 30th June there is an item of an annuity to a former officer besides the amount transferred to pension and gratuity fund. The report of the directors of the Aberdeen Town and County Bank, submitted at the annual meeting of the shareholders, 5th March, contains the entry, "Superannuation fund for bank's officers, £1,000." The report of the Bank of Australasia, 17th March, speaks of a retiring allowance to an officer who had served the bank for thirty-four years; a similar observation is found in the report of the Standard Bank of British South Africa of 30th April, with reference to the retirement of another officer after "long and faithful service;" and the accounts record the usual item of transfer to the superannuation fund. The Royal Bank of Ireland accounts to 30th August note £1,000 transferred to superannuation fund. A retiring pension is mentioned in the report of the Birmingham and Midland Bank of the 28th May, after services of forty-two years; and the latest instance recorded is that of the London Chartered Bank of Australia who at their recent meeting voted a handsome retiring allowance to their late secretary. Doubtless, other instances of retiring allowances being granted, and of sums being allotted to provident funds and pensions, have occurred during the past year, besides those we have mentioned. The entries for these purposes, when made in the regular course of business, are no doubt included under other headings, and we may have omitted to notice others; but what we mention above shows that the subject is under notice. The reports of banks this year were unusually full of details respecting the condition of the business, and much space was given to statements which were drawn forth by the failures of the City of Glasgow Bank and the West of England Bank. High praise was given to the officers, in many instances, for the zeal and intelligence shown during the trying times through which business has passed, and it is not to be supposed that these services will be allowed to pass unrewarded. We shall conclude with the remarks we have made on a previous occasion. Provident funds should exist in every banking office. Self-interest will lead to this conclusion, to base it on no higher considerations; for nothing will conduce more to the good working of a bank than the knowledge that all who are engaged in carrying the business on will receive an adequate support from it when age or infirmity compels them to desist from active employment.

A Well-Preserved Banker.

W. W. Corcoran, the well-known millionaire banker, of Washington, who was 81 years old December 27 last, is another prominent man believed to have been virtually dead, who has unexpectedly recovered. It was thought not long ago by his physicians and friends, that he had not 24 hours to live. The former showed conclusively that he was doomed, and the latter took eternal leave of him. After the last vestige of hope had been relinquished, after his pall-bearers had been selected, and every arrangement made for his funeral, he rallied, to the amazement of everybody, and so steadily got better that within two or three months he was going about on foot, and attending personally to any number of affairs. He is said now to be much stronger than before his last illness, and his friends believe that he will see his ninetieth birth-day. Corcoran is of a different pattern from most of the very rich men we have here. He has founded a gallery of art at the national capital, and made many charitable gifts to the city where as a banker, he has gained his fortune. He is much and deservedly loved there, and the continuation of his benevolent life is naturally the cause of satisfaction in the community. There is no danger of his example becoming contagious in this quarter. The air of New-York is thought to be pernicious to the development of generosity in millionaires. Corcoran has, in all probability, preserved his liberality by keeping sedulously away from Manhattan.

The statistics of railway construction for 1879 show on what side of the tariff question the interests of the Western States lie. Out of the nearly 4,000 miles of track-laying in the United States this year the Eastern and Southern States did but little. The West is the present scene of railway building exploits. Kansas, Iowa and Minnesota lead the list in the order named. The future prosperity of those States and their Western sisters depends on the development of their railway systems. The railway is as vital to the wheat-growing and cattle-raising West as air and water. The wisest statesmanship and the truest political economy would give every encouragement to the people of the West to enlarge their wheat crops and their herds and so make their most effective contribution to the comfort, and happiness, and wealth of the whole country. Precisely the opposite course is pursued under the present tariff. Not only the West, but all the rest of the country suffers from the customs duties imposed on the one material which is indispensable to railroad building. These are among the heaviest of the deadweights put on American enterprise and skill, for the benefit of the Pennsylvania ironmasters. Have not those gentlemen been protected about long enough? Their newspaper organs boast of the unprecedented orders which fill their books—some of them running up to the midsummer of 1880. It is also said that no less than 9,000 miles of new rails will probably be laid in the United States next year. If these are facts, is not the time propitious for repealing the protective duties on iron and steel rails which Pennsylvania has enjoyed so long?

BANKING AND FINANCIAL LAW.

Personal Liability of Stockholders in National Banks.

The following case, decided in November last by Chief JUSTICE WAITE, on appeal to Circuit Court of the United States for Southern District of New York, is in harmony with the recent English cases growing out of the Glasgow Bank failure.

It will be observed that the U. S. Statutes quoted in the opinion relieves executors, trustees, and others holding stock in their names as such, from liability to respond in damages out of their individual estates. In the absence of such a statutory regulation it has been otherwise held in England, and this has been the cause of much suffering to innocent parties. Another and very important point decided is, that in cases where there is a colorable transfer of the certificate upon the books of the company for the purpose, among other things, of avoiding the statutory liability, not only is the transferee liable, but the actual owner also.

WAITE, C. J. This was a suit at law by the receiver of an insolvent national bank to enforce the individual liability of an alleged stockholder under section 5151 of the Revised Statutes. The bank failed December 12, 1871, and it is conceded that Calvin Stevens, the decedent, did not then appear on the books as a shareholder, and had not appeared as such since October 29, 1870. On that day one hundred and seventeen shares stood in his name, which he caused to be transferred to one Elston, an irresponsible person, and a porter in the office of his New York broker. At the time of this transfer, so far as appears from the evidence, there was no suspicion of the insolvency of the bank, and it remained in good credit for more than a year afterward. Subsequently Stevens made other purchases of the stock of the bank, and sometimes made sales. His purchases were put to the credit of Elston on the stock books, and to meet his sales, he, acting as the agent of Elston under a power of attorney for that purpose, caused the necessary transfers to be made from the same account. On the 22d of November, 1871, there stood to the credit of Elston on

*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.

the books one hundred and sixty-one shares, for which a formal certificate was issued in his name, and delivered to Stevens as his agent. It did not appear from the testimony that any of the shares which once stood in Stevens' name were included in this certificate. The account on the books remained unchanged from that time until the failure.

Upon this state of facts the Court below directed a verdict in favor of the defendant, and the single question now presented is, whether that was right. For all the purposes of this inquiry it must be assumed that as between Stevens and Elston, Stevens was the real owner of the stock. Clearly the evidence tended to prove that fact, and there was enough to make it wrong to take the question from the jury. There is no pretense that Elston did not give his assent to the transfer to him on the books. This made him liable as a shareholder. *Upton v. Tribilcock*, 91 U. S. 45; *Webster v. Upton* id. 65; *Pullman v. Upton*, 96 id. 328. The point to be decided now is whether, in an action at law by the receiver of the bank, the real owner of stock in a national bank standing by his procurement in the name of another, and never having been in his own name on the books, can be charged as a shareholder with the statutory liability for debts.

The Banking Act (13 Stat. 99, § 1, Rev. Stat., § 5134), provides that the certificate of organization shall specify among other things, "the names and places of residence of the shareholders, and the number of shares held by each of them. Section 12 of the original act is as follows: "That the capital stock of any association formed under the act shall be divided into shares of one hundred dollars each, and be deemed personal property, and transferable on the books of the association, in such manner as may be prescribed in the by-laws or articles of association; and every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares, and no change shall be made in the articles of association by which the rights, remedies or securities of the existing creditors of the association shall be impaired. The shareholders of each association formed under the provisions of this act, * * * shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such association, to the extent of the amount of their stock therein at the par value thereof, in addition to the amount invested in such shares. * * * In the Revised Statutes these provisions are separated and reproduced as sections 5139 and 5151, but for the purposes of construction they are to be considered together. Rev. Stat., §5600. Section 63 of the original act, Rev. Stat., § 5152. provides "that persons holding stock as executors, administrators, guardians and trustees, shall not be personally subject to any liabilities as stockholders; but the estates and funds in their hands shall be liable in like manner and to the same extent as the testator,

intestate, ward or person interested in such trust funds would be, if they were respectively living and competent to act and hold the stock in their own names." Section 40, Rev. Stat., § 5210, requires that a full and correct list of the names and residences of all the shareholders shall be at all times kept in the office where the business of the association is transacted, subject to the inspection of shareholders and creditors, and that a verified copy of this list must be transmitted to the Comptroller of the Currency.

Under these provisions of the law it is contended that the registered shareholders alone can be charged with the statutory liability, and that an assignee of stock does not make himself responsible unless he accepts an actual transfer in his own name on the books. As has just been seen, the registered holder is liable. By holding himself out to the world as owner, as he does when he permits his name to appear to that effect on the books kept for the information of shareholders and creditors, he estops himself from denying that he is in fact what he represented himself to be. The question still remains, however, whether the person for whom the registered owner holds the stock, if actually the owner, may not also be liable.

The Supreme Court, at its last term, held in *Germania Bank vs. Case*, 99 U. S., that if a registered owner transferred his stock in a failing corporation to an irresponsible person for the mere purpose of escaping liability, or if his transfer was colorable only, the transaction was void as against creditors. At the same term, in *Case vs. Marchand*, 99 U. S., an effort was made to charge Marchand with liability as the real owner of stock standing in the name of one Lubie, the allegation being that Marchand, having bought the stock from one Keenan, caused it to be transferred to Lubie for the purpose of concealing his ownership and avoiding liability under the act of Congress. The Court decided the case on the ground that the evidence was not sufficient to show the actual ownership of Marchand, but there is nowhere an intimation that if the facts had been as alleged the action might not be sustained.

The present case shows that Stevens bought the stock from registered owners, and both assignments of their certificates with authority to complete the transfers on the books. As between Stevens and the vendors, this made Stevens the owner. At that time the vendors could have registered their transfers, and thus, while relieving themselves from liability, charged Stevens. *Webster vs. Upton*, 91 U. S. 71. If Stevens had omitted to register the transfer, and on that account his vendors had been compelled, as registered owners, to respond to their statutory liabilities for debts, I cannot think there would be a doubt of their right to call upon him to reimburse them for the money so paid. The reason is obvious. While the vendors were the registered owners, Stevens was the actual "shareholder," and

the money paid by the vendors would have been for his use, and recoverable from him as such.

Stevens, by his transfers on the books, undoubtedly released his vendors from all future liability, because, as to them, the transfers were "out and out," in the language of the English cases, and not colorable only. They retained no interest whatever, and Elston, the registered transferee, although pecuniarily irresponsible, was capable in law of assuming the obligations of a shareholder. As between Stevens and Elston, however, Stevens was the real owner, and Elston his authorized representative in the bank. As such representative, Elston could vote the stock at elections and receive and receipt for dividends. So, too, he could sell and transfer the stock on the books, and such sale and transfer to a *bona fide* purchaser would pass the title free from any claims of Stevens. Neither would the bank, under ordinary circumstances, be liable to Stevens for permitting the transfer to be made. So far as Elston was concerned, the transfer to him was colorable only, and it is apparent that the only object Stevens had in causing it to be made was to conceal his ownership, and thus, if possible, escape all statutory liability. Such being the case, I am unable to see how he can occupy any different position from what he would if the stock had been taken directly from his own name on the books and put in that of Elston. He is still the real owner, with Elston as his agent specially authorized to hold for him the legal title. Every principal is responsible for the obligations of his agency. The debt of the agent is the debt of the principal, and always recoverable from the principal. By the rules of law which govern the relation of principal and agent, the registry on the books in the name of Elston was, as between Stevens and Elston, in legal effect the same as a registry in the name of Stevens. The obligations which Elston assumed by reason of such registry, were the obligations of Stevens.

Assuming then, as I must for the purposes of this case, that the facts were as they are claimed by the plaintiff to have been, I cannot reach any other conclusion than that Stevens, the decedent, was in law a "shareholder" of the bank at the time of its failure, and as such, liable in this action. It was error, therefore, to direct a verdict for the defendant.

The judgment of the District Court is reversed, and the cause remanded for a new trial.

SUPERIOR COURT OF THE CITY OF NEW YORK—NOV. GEN. TERM, 1879.

REMEDY OF DEPOSITOR AGAINST BANK WHICH HAS PAID FORGED CHECKS AND CHARGED THEM TO HIS ACCOUNT—RULE AS TO LACHES AND AS TO BURDEN OF PROOF IN SUCH CASE.

Morris Frank *et al.*, Respondents, *against* The Chemical National Bank of New York, Appellants.

CURTIS, Ch. J.; and FREEDMAN, J.

Appeal by defendant from a judgment entered against the defendant on the report of a referee for \$15,794.20.

The plaintiffs bring this action to recover a balance of money they had deposited with the defendant.

The defendant answered that the money so deposited had been paid out from time to time on the checks of the plaintiffs, and that they had at various times rendered their accounts and vouchers for such payments to the plaintiffs, who made no objection to such accounts, and pointed out no errors.

The plaintiffs, who composed the firm of Frank and Hirsh, opened an account with the defendant in the Fall of 1865, and the business relations of the parties were of the character usual between a depositor and a bank. The plaintiffs deposited money from time to time with the defendant, and drew it out on their checks. A bank-book, commonly called a bank pass book, was kept, in which an entry was made of the moneys deposited by the plaintiffs, and this book was "written up and balanced" from time to time; the defendant entered therein the various amounts paid by it on the plaintiffs' checks, and struck the balance therein, and thereupon returned to the plaintiffs the book with the paid checks, as the defendants' vouchers for the payments made and thus entered,

These business relations continued until after the commencement of this action in 1870, and no complaint was made by the plaintiffs of any irregularity in the account until in September 1870. Then the claim, which is the subject of this litigation, was that from about the 13th of July, 1869, to the 26th of September, 1870, the defendant had charged in the account as paid, divers sums of money, amounting in the aggregate to \$8,181.38, which were not paid on the plaintiffs' checks, or, at any rate, on the genuine checks of the plaintiffs. During this period the bank book had been balanced five times, and returned to the plaintiffs with the vouchers, and no objection had been made by them to the correctness of the account, or the balance as struck in this book. On the trial it was claimed that entries of thirty-seven payments made, and which it appears were in fact made by the bank on thirty-seven checks were improperly made, on the ground that no such checks had ever been drawn by the plaintiffs, and were forgeries. The plaintiffs produced 392 checks paid by the defendant, which they admitted to be genuine, and also conceded that there was five other genuine checks paid by the bank which had been lost, of the thirty-seven checks paid by the bank which the plaintiffs claimed were forgeries, three were produced amounting altogether to \$600, and considerable evidence was given in respect to the genuineness of the plaintiffs' signatures to these. The remaining thirty-four checks amounting to \$8,751.63, were not produced by the plaintiffs, and the signature to these were not open to the inspection or examination of witnesses on the trial. Evidence was introduced tending to show that

the forgeries were committed by the book-keeper of the defendant who attended to their bank accounts, and who absconded about the time of the discovery of the forgeries, having destroyed or concealed the forged checks, except these three checks, which were discovered in the bank after he left.

There have been two trials of this action before Referees. It was first referred to Henry Nicoll Esq. who reported in favor of the plaintiffs for \$9,199.96. The defendant appealed from the judgment entered on this report, to the General Term, and the judgment was reversed for error in the reception of evidence. The case is reported in 37 N. Y. Superior Court Reports 27. It was then referred to Wm. G. Choate Esq. who reported in favor of the plaintiffs, and it is from the judgment entered upon his report that the defendant now appeals.

CURTIS, Ch. J.

The first question that comes before us for consideration is one of fact. Were these thirty-seven checks which were paid by the bank, and alleged by the plaintiffs to be forgeries, such in reality or not? There is a considerable conflict of testimony on this question. The officers of the bank and the expert called by them, are confident in the belief that these thirty-seven checks are genuine, and consider them as such.

The plaintiff, who alone conducted the business of the firm in New York, positively denies that the checks were drawn by the firm, or authorized by it, and witnesses are introduced who point out differences between the signatures of three checks that were found of the number claimed to be forgeries, and those which are conceded to be genuine. The plaintiffs claimed that the signatures on the spurious notes were traced by being placed over genuine signatures and then slowly drawn, and that when magnified by a lens, the indications of irregularity of outline and of frequent stops in tracing the signatures, were distinctly visible.

Upon the evidence, the referee found for the plaintiffs, evidently giving it a careful consideration. He had the witnesses before him personally, he had the fullest opportunity of judging, where it was conflicting as to who was best entitled to credit, and the conclusion he arrived at is supported by proofs, to such an extent that it would be at variance with well settled rules, for this Court, on appeal, to set aside his decision on this question of fact, as against the weight of evidence, or as unsustained by the proofs in the case. The checks being forgeries, there is of course no reason for claiming that they were paid in pursuance of any authority from the plaintiff.

The question as to which party should bear the loss under circumstances analogous to those of the present case, has already been passed upon in the Supreme Court and in the Court of ultimate resort. In *Leavitt, Prest., &c., vs. Stanton, Prest., &c., Hill vs. Denio*, R. Supplement, where the plaintiff was in the habit of depositing money with

the defendant and drawing on him, and the defendant paid a draft of \$10,000 with plaintiff's signature forged to it, the circumstances which would excuse the defendant from liability to respond to the plaintiff, are considered by *Nelson, Ch. J.*, in the opinion delivered by the Court. The facts disclosed negligence and suspicion on the part of the plaintiff when the draft was sold to the felon, but it was held that these facts fell short of gross carelessness, which should at least be established, if the principle on which the defendant sought to be exonerated could at all be entertained, and that they were insufficient to charge upon the plaintiff the consequences of the forgery that subsequently happened.

In the case now before us, the bank paid out its own money upon the forged checks, and not that of the plaintiffs, who were strangers to these acts of the bank, and in no sense parties to them, or guilty of any gross negligence in respect to them. The bank, after it had thus parted with its own money, charges the sums so drawn out to the plaintiffs in their account with the bank, who, upon notice, and without delay, refuse to ratify or be bound by these acts of the bank.

In the case of *Weisser vs. Denison*, 10 N. Y., 68, the bank paid the checks that were forged by the depositor's confidential clerk, charged them in the depositor's pass book, balanced and returned it to the clerk, with the forged vouchers, who examined the account at the depositor's request, and reported it correct. The depositor did not discover the forgeries until many months after, when he immediately notified the bank. In the action he brought to recover the balance of his deposit, it was held that the bank could not retain the amount of the forged checks, that it must be presumed to know the signatures of its dealers, and pay checks purporting to be drawn by them at its peril; that a depositor owes no duty to a bank, that obliges him to examine his pass-book or vouchers with a view to the detection of forgeries of his name, and that the depositor was bound by the acts of his clerk, only so far as he was acting in the course of his employment.

In the case before us the appellant urges that its position is very different from that of the defendant in *Weisser vs. Denison supra* because in that case the checks were produced, and it was proved they were forged by the depositor's clerk, who alone examined the pass-book and returned checks, and reported the result to his principal. In that case the forged checks were found in the trunk of the absconding clerk; in this case only a small part of them were found, and that only after the clerk had absconded, but there was also evidence of erasures, and alterations of the pass and check-books, and of false readings of them by the clerk when they were compared with the account and examined by him and the plaintiff Frank together. I know of no principle of law that, because only a portion of the checks claimed to be forged were found, the Referee, or a jury is inhibited from finding, if there is evidence to warrant it, that the checks not found

were also forgeries. If this view prevailed it would only be necessary for the criminal who had obtained possession of the checks he forged to destroy or secrete them, and thus secure immunity to the bank paying the forged checks from any liability to the depositor. The Referee, if the proofs made it apparent to him, that the thirty-seven checks in question were all forged, though only three of them could be presented before him, was in duty bound to so find.

There was evidence at the trial as to the existence and nature of alterations, erasures, and tracings in the check and pass-books and the checks. An oculist being shown a glass, testified that it was correct, and magnified four times. The plaintiffs offered the glass in evidence, and the defendant excepted to its admission.

When the testimony was closed, the counsel for the plaintiffs handed to the Referee the magnifying glass thus offered in evidence, and requested him to inspect and examine with this glass the checks produced on the trial and read in evidence, for the purpose of determining whether the signatures to the three alleged forged checks were the genuine signatures of the plaintiffs, or were forged or traced signatures. The counsel for the defendant objected to this, and to the Referee's using the glass for that purpose, but the Referee over-ruled the objection, and decided that he would use the glass for that purpose, and he did use the same for such purpose, and the defendant excepted to the decision of the Referee, and to such use of the glass.

There was an opportunity to cross-examine as to the glass and as to its capacity, if the defendant deemed it of any consequence, or had reason to suppose it incorrect. The referee occupied the position of a jury in determining the questions as to the alterations, erasures, and tracings. The use of lenses that magnify, as auxiliary to the human vision, is so universally resorted to, and adopted as a necessary factor in obtaining precise mathematical results in the investigation of material objects, that the use of glasses proved to be correct, in a judicial investigation, where the truth can very possibly, only be arrived at by such use, does not seem reprehensible. The Referee had the same right as a jury would have had, to look through glasses that magnify. It was proper for him to use the glass if he could see better with it. It was his duty in the interest of justice as a Referee in a case where alterations, erasures and forgeries were claimed to exist, to resort to the usual and proper agencies that correctly add to, or increase the power and capacity of human vision, and consequently of human judgment in respect to the issues of fact he was called on to decide.

The questions in this controversy have been very carefully and very clearly presented by the respective counsel, but after considering their arguments and briefs, and the evidence, and the finding of fact by the Referee, and the conclusions of law based upon decisions in cases that appear to be corresponding in their character, and also those of the defendant's exceptions not discussed here, I am led to the conclusion that the judgment appealed from should be affirmed with costs.

BANKING AND FINANCIAL NEWS.

The Government's Purchase of Bonds.—As we intimated in our weekly (*Financial News-Letter*) of Jan. 3, Mr. Secretary Sherman has been able to buy \$5,000,000 government bonds at a fraction below the price he offered for them. This forecast of the transaction is not due to any "inside" or specific information on our part, but our opinion was formed on purely business principles, after careful study of the financial situation.

On the 7th inst., three days after the issuance of Mr. Sherman's circular, offers of \$7,288,000 were received at the Sub-Treasury in this city, in reply to the call for \$5,000,000 6s of 1880 at 102½, 6s of 1881 at 104¼, or 5s of 1881 at 103¾, for the sinking fund. The offers were all within the upset price, ranging, for 6s of 1880 between 102.36 and 102.37½; for 6s of 1881 between 104.20 and 104.25, and for 5s of 1881 between 103.35 and 103.37½. The result having been telegraphed to Washington, the Secretary ordered the purchase of all the 6s of 1881 offered below the upset price, and enough of the 6s of 1881 at lowest prices to make up the \$5,000,000. The offers accepted were:

6s of 1881, First National Bank.....	\$2,800,000 at 104.23
" Kuhn, Loeb & Co	55,000 at 104.20
" Fisk & Hatch.....	[200,000 at 104.20]
Total.....	\$3,055,000

The First National Bank offered \$2,200,000 and Kuhn, Loeb & Co. \$1,500,000 5s of 1881 at 103.35. The two firms having agreed upon the proper proportion among themselves, \$1,945,000 were accepted from them conjointly.

So large are the revenues of the government that another call for \$5,000,000 is to be expected soon.

A Welcome Return.—Good men are needed in Wall Street, therefore it is a pleasure to record the fact that Hon. F. P. Olcott, who on the first of the year vacated the office of Comptroller of the State of New York, has resumed business by becoming a partner in the well-known banking house of Phelps, Stokes & Co. Long before his creditable record as Comptroller of the State he was known as one of the best bankers in Wall Street, and he will be welcomed back to private life by his many business friends.

Regarding the failure of the Grocers' Bank, noticed elsewhere, a reporter visiting half a dozen banks, beginning at the Chemical National, found that the prevailing opinion among bankers was that the affairs of the bank were made subservient to outside enterprises. These opinions were cautiously expressed and prefaced by the remark that nothing was known, except the publication made in the papers. At the Clearing House meeting, however, the usual official action was taken. That is, a report of the suspension was received, and the usual notice sent out.

At the Mercantile Agency the following interesting facts were obtained touching bank failures in this city, now for the first time published. During the past eight years, ending on Wednesday, \$4,500,000 have been lost to depositors by failures of savings banks. By other banks the sum total is swelled in round figures to \$10,000,000. Of this amount only about three quarters has been recovered. The Grocers' Bank makes the twenty-third bank that has suspended in this city during eight years.—*Financial News-Letter*, Jan. 3.

As regards the savings banks, the Mercantile Agency would do a great public service by ascertaining and publishing the amount pocketed (?) by the Receivers, their co-workers and friends.

The following four points contributed to the upward tendency of values last year, viz:

1. The resumption of specie payments.
2. The enormous crops at home and the failure of crops abroad.
3. The inflow of gold from Europe.
4. The refunding of a portion of the national debt at lower rates of interest.

Another Legal Tender Case.—An effort has been made by Senator Edmunds to advance upon the docket of the U. S. States Supreme Court the case of *Juilliard versus Greenman*, which is a test suit brought to obtain the opinion of the Court as to the validity of the act of May 31, 1878, forbidding the further retirement of legal tenders, and requiring them to be reissued after redemption and kept in circulation. This involves the whole question of Congressional power to maintain the legal tender quality of United States notes in time of peace. This point has not heretofore been passed upon by the Court, as the suit is brought upon reissued legal tenders. In this respect, however, the suit is similar to that brought by Mr. Chittenden.

Secretary Sherman on Refunding.—In a letter to Senator Morrill, Secretary Sherman thus refers to further refunding of the public debt:

In addition to the \$13,415,000 six per cent. bonds absolutely payable December 31, 1880, and \$945,000 payable July 1, 1881, the following bonds of the United States will become redeemable within the next year and a half, viz.: May 1, 1881, 5 per cents., \$508,440,350; June 30, 1881, 6 per cents., \$264,321,350, making a total of \$772,61,700, the annual interest charge on which is \$41,381,298.50. About one half of these are coupon bonds, having coupons running only to the dates of redeemability, and if they are not refunded or paid off the holders will have to be supplied with additional coupon sheets at the expense of the government, and at a cost probably nearly as great as would pay for an original issue of a loan. It is manifest that these bonds cannot be paid off in 1881, and I therefore felt it to be my duty to recommend in my annual report that authority be granted to refund them into 4 per cent. bonds, thus effecting a saving in the annual interest charge of about \$10,500,000. The present time I believe to be most advantageous for such refunding, probably much more favorable for the operation than any future time, and we have at hand in the 4 per cent. consol. bond already well known and extremely popular.

The successful funding of so large a portion of the public debt into these bonds during the past year was mainly due to the exceptionally favorable state of our foreign and home trade, and the resumption of specie payments; and it is my firm belief that our wisest course is to fund the remainder of the bonds bearing a high rate of interest while this state of affairs continues.

The Secretary quotes Mr. Fernando Wood's bill providing for a $3\frac{1}{2}$ per cent. funding bond, and says:

This bill, if enacted into a law, would perhaps be considered as prohibiting the sale of bonds for resumption purposes at a greater rate of interest than $3\frac{1}{2}$ per cent., although such is not probably the intent of the bill. Aside, however, from its possible bearing upon the ability of the department to maintain resumption, I believe that its passage would be fatal to refunding, although I should of course be happy to refund the debt into $3\frac{1}{2}$ per cents, if it were practicable to do so. That a $3\frac{1}{2}$ per cent. bond would not "now" sell for par I am fully satisfied, and I see no reason to expect that such a bond would be more favorably looked upon as an investment in 1881 than it would be now. On the contrary, with the revival of industry, and the great activity in manufacturing, signs of which are already to be seen in all parts of the country, and the constant and increasing demand for money arising therefrom, it seems to me to be not at all certain that we shall have to borrow freely even at 4 per cent. per annum, and of the correctness of these views I received the most positive assurances during my recent visit to New York.

In conclusion Mr. Sherman earnestly advocates the passage of Mr. Garfield's bill, providing for refunding into four per cent. bonds, and says:

That clause of the bill which renders applicable the provisions of the act of July 14th, 1870, &c., will enable the department to "call" such 5 per cent. and 6 per cent. bonds after they shall have matured, and to redeem them with the proceeds of the sale of the 4 per cent. bonds so authorized, and such proceeds would include, of course, whatever premium the bonds may then sell for. While it is not thought safe to assume that, upon resuming funding operations (with the prospect of an emission of 4 per cents. about equal in amount to the present issue) the bonds will remain at a price much, if any, above par, it is thought that under the operation of the proposed bill, parties may be inclined to surrender the bonds now held by them upon the payment of an amount not to exceed the difference in interest between the bonds received and those issued.

Secretary Sherman's Opinion.—The Cleveland (Ohio) "Leader" prints a letter written by Secretary Sherman to a friend in that State, in which he said: "The legal tender clause which I wish repealed is of no value whatever to the United States note now that the note is equal to coin, and redeemable in coin, but is an obstruction liable to be overthrown by the Supreme Court, and is constantly the subject of dispute. I feel in this matter that I am entirely right; and although you may for a time differ with me, I believe that within a year or two you will say that in this as well as in resumption, I have been right. In the meantime it is probable that no immediate action will be taken by Congress."

A Counterfeiter Shot.—A recent dispatch from Nicholasville, Ky., to the Cincinnati "Commercial," says: "A party of Deputy Marshals have shot and killed Col. W. R. Cooke, the notorious counterfeiter, at his home, near this place. Cooke had actually disarmed and kicked five of them out of his yard a few nights ago. Smarting with the disgrace, they armed themselves and returned a few days afterwards, determined either to kill or capture him. They surrounded the house, and called for him to come out. Cooke answered by opening the door, pistol in hand, when he was shot through the heart. Cooke's friends say he was killed in a cowardly manner; that he was coming out unarmed to surrender when the fatal shot was fired by a deputy named Clark, the same man from whom Cooke lately escaped, in Nicholasville. Cooke was Colonel of a Kentucky Federal regiment during the late war, and received a valuable sword for bravery on the field. After the war he settled down to counterfeiting, and, notwithstanding the attempts of the government to bring him to justice, he always escaped."

Crop Returns for the Season.—The Agricultural Department has prepared returns of the crops for the season just closed. The values given are not the quoted prices in the market, but the values to producers, and these may not be correctly stated. As they are said to be carefully estimated, the report may be valuable for purposes of comparison. The table is as follows:

Crops.	1879.		1878.	
	Product.	Value.	Product.	Value.
Wheat, bushels.....	448,755,000	\$499,008,000	420,122,400	\$326,346,424
Corn, bushels.....	1,544,899,000	580,259,000	1,388,218,750	441,153,405
Oats, bushels.....	364,253,000	120,855,000	413,578,590	101,945,530
Rye, bushels.....	23,646,500	15,505,000	25,842,790	13,592,526
Barley, bushels.....	40,184,200	23,625,300	42,245,630	24,483,315
Buckwheat, bushels.....	13,145,650	7,890,488	12,240,820	6,454,120
Cotton, bales.....	5,020,387	231,000,000	5,216,603	193,854,641
Tobacco, pounds.....	384,059,659	21,545,591	302,546,700	22,137,423
Hay, tons.....	35,648,000	325,851,280	39,608,293	2,554,375
Potatoes, bushels.....	181,360,000	78,971,000	124,128,650	73,059,125
Total.....		\$1,904,480,650		\$1,488,570,866

The Extension of the Texas Pacific.—The work of extending the Texas Pacific from Fort Worth to El Paso is to be vigorously pushed forward. The extension is 600 miles, and the Texas Pacific is to pay for it \$12,000,000 in bonds, being at the rate of \$20,000 per mile, and, in addition, \$12,000,000 in stock. So far as the public have knowledge relating to the country to be traversed, \$20,000 per mile may be set down as an extravagant price, and greatly in excess of the rates reported paid by the Northern Pacific for the construction in progress beyond the Missouri. It is also in excess of the price paid by the Texas Pacific on account of construction under its own management in 1877. In the company's report for that year is found, under the heading "Expenditures on account construction," details of the cost of building and completely equipping 111 miles of new road. The total is \$1,781,793. Part of this distance was, it is true, old line, which required only "resurfacing," but, as a set-off, the expenditure included items for cars and locomotives, with lesser items for other disbursements not embraced in a regular construction contract. Making allowance for the increase in the value of labor and other elements of the contract since 1877, and also since the arrangements of the Northern Pacific, still it remains evident that the Improvement Company promises a rich bonanza. It will not, however, be forgotten, if the facts are as reported, that, primarily, the payment is in bonds, not cash. At 75 cents on the dol-

lar, however, they would leave a handsome profit. Besides this, the Improvement company will receive a stock bonus of \$12,000,000. Meanwhile Mr. Gould and his partners will become the controlling owners of the Texas Pacific. As the stockholders in it own one-sixth interest in the Improvement Company, the stock really accruing to the Gould syndicate will be \$10,000,000. As this amount will make them masters of the Texas Pacific, they will elect its Directors, make further contracts with themselves, and generally direct the affairs of the company in harmony with their wishes.

Railway Construction in 1879.—The past year has been an extraordinary one in respect to the revival of railway building, more miles of track having been laid than in any year since 1873, and probably more than in that year. The returns, of course, are not yet all in, but from various sources of information we have compiled the following table, showing the total mileage constructed in each State so far as we are able to learn, reserving the opportunity to a detailed statement with additions:

	Broad gauge.	Narrow gauge.	Total.
Arizona.....	153	....	153
Arkansas.....	....	9	9
Colorado.....	7	60	67
Dakota.....	220	....	220
Georgia.....	10	25	35
Illinois.....	90	....	90
Indiana.....	74	40½	114½
Iowa.....	325	46	371
Idaho.....	....	90	90
Kansas.....	498	....	498
Kentucky.....	65	....	65
Louisiana.....	65	....	65
Maine.....	....	18	18
Maryland.....	18	....	18
Massachusetts.....	11	....	11
Michigan.....	12	41½	53½
Minnesota.....	394	....	394
Missouri.....	161	27	188
Nebraska.....	125	....	125
Nevada.....	....	35	35
New Jersey.....	4	....	4
New Mexico.....	125	....	125
North Carolina.....	25	....	25
New York.....	67½	6	73½
New Hampshire.....	....	9½	9½
Ohio.....	115	108½	213½
Oregon.....	30	....	30
Pennsylvania.....	14	5	19
South Carolina.....	....	2	2
Tennessee.....	119	57	176
Texas.....	120	67½	187½
Utah.....	83	46	129
Virginia.....	29½	....	29½
West Virginia.....	....	20	20
Wisconsin.....	60	15	75
Totals.....	3,010	728½	3,738½

It will be noted that the greatest amount of track laying has been done in Kansas, which shows nearly 500 miles of new roads, while Minnesota follows with 394, Iowa with 371, young Dakota with 220, and old Ohio with 213½, and so on.

It is also notable that nearly one-quarter of the total mileage—at least 728 miles—is of narrow gauge, showing that the narrow-gauge "delusion," as some call it, has not yet run its course.

The Barron Case Again.—Bank Examiner Bolster, who investigated the affairs of the Dexter (Me.) Savings Bank, says that the recent demand of the bank au-

authorities on Cashier Barron's estate does not change his belief in the cashier's honesty. "There are," he says, "a good many little things of course that cannot be explained. There is not a bank in the State in which there would not appear to be similar irregularities if the cashier were suddenly taken away. W. R. Smith, of Augusta, told me that if he had been killed on the same day there would have been \$20,000 which his bank directors could not have accounted for. There are a good many small transactions which cashiers carry in their heads and make no memorandum of. It is very hard for a man to leave the world so suddenly and not have an opportunity to clear up these things."

The Six Per Cent. Interest Law for New York.—The following is the text of the new interest law which went into effect January 1:

SECTION 1. Section 1 of Title 3, Chapter IV., Part 2 of the Revised Statutes, entitled "Of the Interest of Money," is hereby amended so to read as follows: Section 1. The rate of interest upon loans or forbearances of any money, goods or things in action, shall be six dollars upon one hundred dollars for one year, and after that rate for a greater or less sum, or for longer or shorter time; but nothing herein contained shall be so construed as in any way to affect any contract or obligation made before the passage of this act.

SEC. 2. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

SEC. 3. This act shall take effect on the 1st day of January, 1880.

Approved June 20, 1879.

This law raises many interesting questions, it being claimed that it repeals not only the old 7 per cent. rate, but the penalties for taking more than 7 per cent. On this point the "Evening Post" of January 2 says: "By the National Bank Act the national banks have the right to charge the rate of interest that is legal in the State where the bank is located; the penalty for taking a larger rate of interest is that the borrower 'may recover back, in any action of debt, twice the amount of the interest thus paid,' such action to be begun within two years of the date of the loan. The State Banks by act of the New York Legislature were put on the same footing as to penalties as are the national banks. Private lenders only appear, therefore, to be subject to the full penalties of the State usury law, which penalties are a forfeiture of the entire debt and fine and imprisonment. The new law, making 6 per cent. the rate, will apparently have no effect on bank loans on account of the small penalty which the banks are subject to, and the power they have over regular borrowers. The great bulk of private loans cannot, however, be made above 6 per cent. without incurring the barbarous penalties of the old usury law, provided of course that that law has not been constructively repealed by the new act quoted above."

Persons interested in mining enterprises have been discussing for several months the establishment in this city of a new Exchange for dealing in mining securities. H. C. Logan, United States Senator John P. Jones, ex Senator McDonald, William F. Shaffer, Henry Havemeyer, George Chapman and Stephen B. Elkins have been strong friends of the project. At first it was proposed to make the Exchange a department of the Stock Exchange, but a special committee of the latter reported adversely. The friends of the enterprise then resolved to establish an independent exchange. Seats are offered at \$1,000 each, and it is claimed that 200 applications have been already received. The annual dues will be \$80 from each member.

It is proposed also to create a trust company, independent of the Exchange, for loaning money on mining securities. The new Board will be organized under the charter of the Public Exchange, granted several years ago, which the committee has secured. Rooms for the temporary use of the Board have been taken in the Boreel Building, No. 115 Broadway.

Dissolving a Bank.—The arguments against professional Receivers, such as New York has been afflicted with for some years past, are multiplying on every hand. Here is the latest: The Directors of the Dry Goods Bank, of this city, passed a resolution June 19, 1877, to liquidate its affairs and wind up its business, because its capital of \$1,000,000 had been impaired by "losses, taxes, and general depression of mercantile business." The work of liquidation was undertaken by the Directors themselves. Nearly all the debts of the bank have been paid, and the stockholders have received 82½ per cent. of the par value of their shares. It is thought that upon the final extinguishment of the liabilities of the bank there will be a small sum left for further

division among the stockholders. The Directors having gone as far as they thought they ought to go in the work of liquidating, recently petitioned the Supreme Court for the appointment of a Receiver. On the recommendation of a Referee appointed under the petition, Judge Donohue has signed a decree dissolving the bank corporation, appointing William P. Brintnall, the President of the bank, as Receiver, and ordering the Receiver to report to the Court the condition of its affairs within six months.

Coinage of Gold and Silver.—The coinage at the United States mints last year amounted to \$68,312,692.50, and consisted of 2,759,421 pieces of gold, of the value of \$40,986,912, and 27,228,850 pieces of silver. The silver coinage has been almost exclusively of standard silver dollars, of which \$27,227,500 were coined during the year, and \$45,206,200 have been coined altogether. During the year the total deposits of gold and silver, including silver purchases, amounted to \$71,179,674.65, of which \$42,254,156.80 were gold and \$28,925,497.85 were silver. Of the above amounts, \$33,519,706.89 of gold and \$26,934,723.56 of silver were of domestic production.

New Orleans' Prospects.—It is gratifying to learn that New Orleans is sharing in the growing prosperity of nearly every section of the South. A late report from Louisiana says: "The Canal Bank of this city (New Orleans) has declared a dividend of 4 per cent. out of the profits of the last six months. This will prove the pleasantest kind of news, both to the stockholders and the general public. It will increase the income of many who sadly need it, and materially enhance the value of the stock. For the general public, the increase of this great institution's dividends from 6 to 8 per cent. is a good omen, since it shows that there are now better opportunities for the safe and legitimate employment of capital than for several years past. The Canal Bank is so intimately connected with the commerce of New Orleans, that its dividends are a good indication of the general condition of business."

Government Bonds—Yearly Range of Prices.—The yearly range of prices of Government bonds presented below, gives the highest and lowest prices of the past year, together with the date of the same, and the final prices of December 31, 1879 and 1878:

Name.	For the year 1879.		Final sales.	
	Highest.	Lowest.	Dec. 31 1879.	Dec. 31 1878.
United States 6s, 1881, c.....	107½ June 23	103¼ Aug. 29	107½	109½
United States 5s, c.....	107½ Jan. 13	101½ Aug. 27	103¼	109½
United States 4½s, 1891, c.....	108 May 21	104 Mar. 21	106¼	104½
United States 4s, 1907, c.....	104½ Dec. 30	99 April 1	104	100½
United States currency 6s.....	128 May 31	119¼ Jan. 4	121¼	119½

The Old, Old Story.—He was a man of family. He had always borne an exemplary character. He was a temperate and a temperance man. He took a particular interest in all matters relating to religion. He was prudent in his expenditures. He was general bookkeeper of the Mount Holly (N. J.) National Bank, and as such he was trusted entirely by the president and directors and stockholders, and also by the depositors and bill-holders. Leading merchants frequently called upon him to assist in disentangling involved accounts. Alas! what an old story it is! This perfect general bookkeeper and accountant, religious and temperate man, and most economical father and citizen, Mr. Frederick W. Keeley, is discovered to be a defaulter to the amount of several thousand dollars, and, as we are told, the discovery has "startled the whole business community." The paragon of bookkeepers is in jail, and his bondsmen are getting ready to pay for their confidence. If this sort of thing goes on respectability will become disreputable, and people will trust nobody but professional scamps.—*N. Y. Tribune.*

Demanding Trial.—W. W. Winton, President of the Second National Bank, of Scranton, Pa., and the other persons accused with him of conspiring to defraud that bank and the Citizens' and Miners' Bank, of Scranton, have asked that the preliminary hearing be closed, and that they be granted an immediate trial. They say that they are the victims of a conspiracy.

Prices of Leading Products at End of Past Three Years.—The year 1879 was noted for a series of "booms" (sometimes speculative, but generally from natural causes), not only in securities, but also in the various products of the soil. Prices of almost all articles of commerce advanced steadily during the year, and notwithstanding the occurrence of numerous reactions, the closing prices show marked advances over those of a year ago. The following gives the comparative prices for three years of some of the leading articles of merchandise:

END OF YEAR.	1877.	1878.	1879.
Cotton per lb.....	11 5-16	9½	12½
Wheat per bush.....	\$1 32½	96½	\$1 48
Corn per bush.....	64½	47½	64
Oats per bush.....	40	31½	52½
Pork per bbl.....	\$13 00	\$7 00	\$12 25
Lard per lb.....	8½	5½	7½
Iron, No. 1 foundry, per ton.....	\$18 00	\$7 00	\$33 00

The Business Boom in Georgia.—A valued correspondent writing from Augusta, Georgia. (Jan. 7.) furnishes the following summary of the interest and dividends on Augusta stocks and bonds to be paid out there during the current month:

Graniteville Factory stock, 12 per cent.....	\$18,000
Augusta Factory stock, 8 per cent.....	12,000
Langley Factory stock, 8 per cent.....	10,000
National Bank of Augusta, 7 per cent.....	17,500
National Exchange Bank, 6 per cent.....	9,000
Bank of Augusta, 4 per cent.....	4,500
Commercial Bank, 6 per cent.....	6,000
Planters' Loan and Savings Bank, 6 per cent.....	3,000
Augusta bonds—interest, 7 per cent.....	35,000
Augusta bonds—principal.....	112,000
Georgia Railroad, 6 per cent.....	128,000
Augusta and Savannah Railroad, 7 per cent.....	35,000
All other securities.....	105,000
Total.....	\$489,000

Our correspondent closes as follows: "It may be safely said that the planting interest in this vicinity has not been as prosperous since the war as it is this season."

The Tax on Private Bank Notes.—Several bills have been introduced in Congress, and are now pending before the Committee on Banking and Currency, to repeal the law imposing a tax of 10 per cent. on the circulating notes of banking institutions and corporations other than national banks, and it is probable that the advocates of the repeal will make a determined effort to secure the consideration of their measures. The provisions of law which it is desired to repeal are contained in sections 3,412 and 3,413 of the U. S. Revised Statutes, and are as follows:

SEC. 3,412. Every national banking association, State bank, or State banking association, shall pay a tax of 10 per centum on the amount of notes of any person or of any State bank or State banking association, used for circulation and paid out by them.

SEC. 3,413. Every national banking association, State bank, or banker, or association, shall pay a tax of 10 per centum on the amount of notes of any town, city, or municipal corporation, paid out by them.

This tax of 10 per cent. was imposed for the purpose of discouraging the issue of circulating notes by banking institutions and corporations other than national banks, and the two sections of the Revised Statutes quoted were supplemented by the act of Feb. 8, 1875, which provides that, in addition to the institutions and corporations named in sections 3,412 and 3,413, the circulating notes of every person and firm shall in like manner be subject to a tax of 10 per cent. Notwithstanding this onerous tax, it appears that a large amount of circulating notes are issued by private banks and State banks, the report of the Commissioner of Internal Revenue showing that about \$100,000 a year are received from this source.

One of the repeal bills in question is prefaced by several preambles, one of which

solemnly declares that "the tax of 10 per cent. on State banks and banking associations produces no revenue to the Government, * * * but is intended to secure a monopoly of the banking business to a single class of property owners, to wit, the owners of national bonds, thus enabling them, in a great degree, to control the value of money and the prices of property."

The declaration that no revenue is derived from the tax in question, is best answered by the annual reports of the Commissioner of Internal Revenue. In his last report the Commissioner says: "During the past two years assessments amounting to \$193,743 53 have been made against various corporations and individuals upon circulating notes issued in derogation of sections 3,412 and 3,413, Revised Statutes, and sections 19 and 20 of the act of Feb. 8, 1875." The Commissioner further said in his last report: "There seems to be a growing disposition in many parts of the country upon the part of individuals and corporations to issue notes, to be used as a local circulation, payable either in money or trade. Experience has shown that such issues are 'a delusive and pernicious substitute for cash.' The laws in question seem to be the only protection the people have against a flood of these insecure and dangerous notes, and in my opinion they should not be repealed."

Banking in Spain.—They do things in Spain differently from the way they do things in any other part of the world. Banking, for example, is conducted as it is nowhere else, and as it could not be conducted on any other spot claiming to be civilized. The Bank of Spain, a State institution, is a great aid to the always-needy government, and a positive nuisance to the people at large. About 85 per cent. of its capital is used for and by the State, and the remaining 15 per cent. is doled out to the mercantile classes, who pay an exorbitant interest, while the government borrows at very reasonable rates. The bank has gold and silver, but never pays it out. It redeems its notes with other notes—with what the West used to call shinplasters; so that they who ask for redemption usually get something, if possible, much worse than the issues redeemed. Nobody who can help it will take the stuff. All the government offices and officers refuse it for dues of any kind. The shops, the inns, the railways refuse it, and travelers are obliged to pay in French, English, or German coin or currency. The bank is a colossal organized swindle upon the public, has been for years, and threatens to be to the end of time. But the people bear it patiently because they have borne it. Whatever has been or is old on the Peninsula is sacred. They simply try—and there is no limit to their devices for such purpose—to avoid taking it, and if they have been obliged to take it, to put off the paper on somebody else. The bank makes 20 to 25 per cent. on its supposed-to-be capital, and ought to, for its rates are enormous, and it pays nothing. No other people would submit to such a continuous financial wrong. The French are not far from right when they say that civilization ends with the Pyrenees.

Stamp Out Sectionalism.—The good people of these United States are coming to the belief that the spirit of sectionalism, kept alive for political ends, is a serious detriment to the country's business advancement, and the stability of our free institutions. It is gratifying to see that public men in various sections are exerting their influence on the side of unity and good-will. Here is an extract from the inaugural address of the Governor of Kentucky, referring to this subject: "Let us hope that the people of the various States will cultivate a feeling of especial amity, and that they will believe and remember that the enterprise and prosperity of a single State adds to the prosperity of all, and that the time is at hand when North, South, East, and West will turn in scorn, contempt, and loathing from those political, blatant tricksters who, for their unholy and selfish ends, continually endeavor to excite sectional bitterness and hate."

More "Heavy Charges."—"The receivers of the Townsend Savings Bank of New Haven, Conn., paid a 10 per centum dividend last year, making 40 per centum thus far. The nominal assets remaining are \$935,020.27, valued at \$200,623.61. The heavy charges of the receivers and the current expenses are to be paid from this, so that there will probably be only a small final dividend to come." So says an exchange.

A Valuable Mail.—The checks sent out from Washington for the payment of the interest on registered bonds filled twenty mail bags, and numbered more than fifty thousand.

Opinions of Boston Financiers.—The *Boston Traveller* has interviewed Mr. Asa P. Potter, Mr. William H. Goodwin, and other bank presidents and bankers of Boston, and finds that they generally indorse the financial views of President Hayes. Mr. Goodwin, for example, said that he was in favor of the immediate repeal of the legal tender clause, and that he thinks the sooner all greenbacks are retired the better. Another gentleman said that he looks upon the present as a golden opportunity which should not be let slip for accomplishing this desirable reform.

A Practical Charity.—Mrs. J. J. Astor has sent out recently from the office of the Children's Aid Society, this city, a "New Year's Party" of one hundred homeless children, to homes in the West and South, at an expense of \$1,500. This makes a total of six hundred and seventy-seven homeless children whom this lady has placed in homes, mainly in the West, at an expense of \$9,750, during the last seven years. Many of these lads have now grown up, having farms of their own, and are doing well in the world.

Immense Stock Transactions Last Year.—A table of more than ordinary interest appears on page 58 of this issue of the *JOURNAL*. It covers the entire transactions in active stocks at the New York Stock Exchange for the past year, and shows comparisons with the previous year.

At the Exchange the gigantic speculation, together with the purchases and sales for investment, made up a record which requires an examination of the figures to fully comprehend. Prices rose rapidly, with occasional reaction, until November. As will be seen by the table, the total sales amounted to 74,251,278 shares, of which nearly 12,000,000 were Erie, 8,000,000 Delaware, Lackawanna and Western, 6,000,000 Lake Shore, over 6,000,000 Chicago and Northwestern, and 5,500,000 St. Paul.

The sales of Government bonds amounted to \$113,325,000, of State bonds to \$21,960,000, and of railroad and miscellaneous bonds to \$412,710,000. Of the last named amount \$116,000,000 were of Erie second consols, \$29,200,000 Missouri Kansas and Texas seconds, and \$23,700,000 first and \$17,800,000 Central New Jersey consolidated.

Farm Mortgages in the West.—It is hardly to be expected that the business in Western farm mortgages will ever again be so profitable as it has been for some years past. It will be a happy day when the farmers in that section (as well as in every other part of the country) will be able to throw off the great burden of mortgage indebtedness. On this subject the Des Moines "Leader" says: "The one great reason why the farmers of Iowa have not prospered more than they have in the past ten years, has been their indebtedness. Within a few years it has been the exception to find a farm not covered by mortgage, and many is the farmer who has lost his all through foreclosure. Iowa farm mortgages were eagerly sought for by Eastern companies and capitalists, and millions of dollars were invested in them. There has been a falling off in this industry lately, however, and the farmers are gradually but surely disenthraling themselves from their burdens. We hope the good times will continue at least long enough to enable our Iowa farmers to free themselves of debt. Then they will be in better financial condition than any other class of people, and as a result of their improved circumstances, all other pursuits will revive and grow. The money that is now in farm mortgages will find its way into manufactures and trade, and as a general benefit instead of an exclusive and selfish one, as at present."

Jay Cooke & Co.'s Settlement.—An evidence of the revival of business peculiarly gratifying to those who remember the great service rendered the country during the war by the house of Jay Cooke & Co., is the fact that the administration of their estate has now resulted in paying dollar for dollar of the entire indebtedness. This remarkable result is largely due to the advance in the values of Northern Pacific and other stocks and bonds which constituted so large a part of the firm's assets. The exact amount already divided in cash and securities at present values foots up \$1,072 for each \$1,000 of indebtedness, and the trustee and committee of creditors who have the matter in charge estimate that the further dividends to be paid will bring the total allowance to each creditor up to \$1,122 for each \$1,000 of indebtedness. The settlement of this business has been conducted throughout in accordance with the suggestions made by the firm a short time after the failure. The present verdict of the creditors is, that Jay Cooke was not so far wrong in his anticipation of a golden future for the

Northwest as people supposed he was when the crash came. His only mistake was in being ahead of his time. The entire honor and good faith of the firm in the settlement, and the fortunate result to the creditors, are alike the subjects of gratified comment in all quarters.

A Bank's Suit against an Express Company.—The United States Express Company, at its office in New York City, on Dec. 1, 1876, received from the Bank of North America a money package containing \$5,000, which it undertook to deliver to the First National Bank of Bath, New York. The package reached its destination the next day, and on opening was found to contain nothing but waste paper. The case was given to some of the most skillful detectives in the country to work up, but as yet the missing money has not been found. The First National Bank of Bath sued the express company for the money, and the trial, just concluded, resulted in a verdict in favor of the bank for the full amount of money the package contained, and interest.

Colorado's Success.—Colorado people may well exult over the prosperity of their young State—a prosperity which has never been surpassed by that of any other community, unless by California of the olden time. The increase in the product of the mines is wonderful, the net yield of 1879 being nearly double that of 1878. The figures of the annual review of this department of industry show that the average product of the Leadville district is greater than that recorded in the world's history of silver mining. The value of the cattle export for the year is set down at \$2,500,000; the wool shipment at 7,000,000 pounds, and wheat at 2,250,000 bushels. It is not surprising that, with these substantial evidences of prosperity about them, the citizens of Colorado should boast that the times are easy, money plenty, failures few, and every kind of legitimate business in a flourishing condition.

A Bank Cashier's Promotion.—It is simply justice, added to due appreciation of faithful service, when the managers of a bank promote a time-tried cashier to the place of a retiring president. Such a case has lately occurred in this city. Mr. William H. Hays, President of the Bank of the State of New York, in his letter of resignation, spoke in the highest terms of the Cashier, Mr. R. L. Edwards, and recommended him as his successor. Mr. Hays' resignation was accepted, and the Board promoted Mr. Edwards to the presidency, because he merited the place, and was fully competent to fill it. He was for seven years President of the Gold Exchange Bank, and for six years Treasurer of the New York Gold Exchange. On his retirement from the Exchange, at its final winding up, he was presented with a handsome service of plate by the members, in appreciation of his services.

Mr. Hays was relieved of the position in the first named bank at his own request, having accumulated all the money necessary to insure his comfort for the remainder of his life. When he took charge the bank was in a very precarious condition, having just lost in the neighborhood of \$500,000 by foolish advances on valueless securities. Its stock was selling down as low as 40. The bank is now one of the most stable in the city, and the last quotation for its stock was 118.

The Legal Tender Case.—The New York "Journal of Commerce" says, editorially, regarding this question, that "the refusal of the United States Supreme Court to give preference to the legal tender test case on the calendar should be no disappointment to the friends of honest money. They should only work all the harder to obtain a right settlement of the question in the right place—and that is Congress. The power which made the mistake and passed the unconstitutional legal tender act is the proper authority to confess the error and to undo the wrong. The timid and the time-serving in Congress are afraid to touch this question. They dread the unknown consequences of doing right when they come to settle with their constituents, whose perceptions of the real merits of the case the members themselves have so long assisted in confusing. The mere politicians are all afraid of grappling with it, and would be happy to turn it over to the disposal of the Supreme Court. There is something almost comical in the consternation caused by the reluctance of the Court to help Congressmen out of their dilemma. As outside observers we may be permitted to enjoy their distress. It is a righteous punishment for the equivocation and double dealing in which most of them indulge when confronted by financial issues. At least one man in Con-

gress will not fear to perform his duty, and that is Senator Bayard, the author of the resolution of repeal. It will be no fault of his if Congress does not, by the only means now in its power, atone for a blunder in the past."

The American Demand for Gold.—Our English cousins take a sensible view of the gold movement. The London "Times" thus refers to it: "We see more cause than ever for pointing to the state of the American money market as a reason for anticipating a pressure upon the stocks of gold in other gold-using countries, coupled with high rates in the discount market, during the next two or three years. America is a country which has large demands for currency, as past experience has shown, and the present demand is only unprecedented because for nearly twenty years before the American currency has been inconvertible paper, and we have had no practical illustration of what the growing demands of the country would be. The population all the while has been increasing with great rapidity in numbers and wealth. Now we learn suddenly what the consuming power of the United States really is, and we must attend to the lesson. Unless there is legislation to facilitate the expansion of the bank note issues, which we can hardly anticipate, these American demands for currency must continue to have a great and predominant influence on the London money market."

The Bowery Savings Bank—A New President.—Among the numerous savings institutions of this city, the Bowery takes a leading place. It holds total resources of over \$39,000,000, and owes its depositors about \$35,000,000, thus leaving a surplus or guarantee fund sufficiently large to protect its depositors against loss. Since its incorporation in 1834, the bank has been prudently managed by a Board of Trustees. Thomas Jeremiah was the devoted President of the bank during its early growth, and continued in the office up to the time of his death, seeing its resources grow, under his direction, to nearly \$24,000,000. He was, in fact one of nature's noblemen; a grand, public-spirited citizen. He possessed a heart full of tenderness and charity, and a character unsoiled by a suspicion of its integrity.

After Mr. Jeremiah's death, Samuel T. Brown was elected to the presidency, and he worthily filled the place of his honored predecessor. A trained banker, as well as an upright, conscientious man, he gave his best energies to the management of the great institution under his care, and resigned the office after a term of faithful service. Henry Lyles, Jr., succeeded Mr. Brown, and filled the responsible position acceptably.

At a regular meeting of the Board of Trustees, held on the 12th inst., Edward Wood was elected President, in place of Mr. Lyles, who had declined a re-election. Mr. Wood has been an active member of the Board of Trustees for many years, and brings to the management of the bank both experience and sound judgment. He is in sympathy with the promotion and well-being of the Savings Bank system, and that is equivalent to saying that he will worthily fill the exalted position to which he has been called.

Clearing House Transactions.—Some idea of the volume of business transacted by the Clearing Houses of the United States, may be learned from the following account of their operations during the year 1879, which we take from the "Public" of the 8th inst.:

"Nearly thirty-nine thousand millions was paid during the year 1879 through the twenty-two Clearing Houses of the country, exclusive of all balances settled in cash. The volume of business represented by the exchanges was larger by 37.3 per cent. in 1879 than in 1878. A part of this increase was due to the gigantic speculation in stocks which culminated in November. But after deducting for exchanges possibly arising from that speculation double the market value of shares sold here, the remaining exchanges amount to \$31,461,040,087 in 1879, against \$24,230,933,106 in 1878, an increase of 29.8 per cent. The greater part of this increase was realized during the latter months of the year. In January general hesitation prevailed; the uncertainty as to the effects of resumption was still sufficient to prevent confident engagement in new operations or enlargement of business. In February, however, a substantial improvement was clearly seen in this city, and in a less degree elsewhere, and it continued through the two following months, although prices remained very low, and the margin for profits in any legitimate business was small. A steadily increasing quantity of products was

exchanged; consumption began to tread upon the heels of production, and in April prices began to advance. From that time onward the change in the volume of business which was due to an advance in prices, was greater than the change due to the marketing of increased quantities of goods, but at no time during the last nine months has the volume of business measured by quantities been as small as it was in the corresponding month of the previous year."

The Difference.—The Grocers' Bank, which suspended in New York New Year's Day, had a capital of \$225,000 and employed twelve clerks. Banks in Hartford, of from half a million to a million dollars capital, manage to get along with four or five clerks, but then they don't suspend.—*Hartford (Conn.) Courant.*

The Public Debt.—The debt statement issued by the Secretary of the Treasury Jan. 2, shows the decrease of the debt for December to be \$4,251,217.96. Cash in the Treasury, \$207,983,903.92. Gold certificates outstanding, \$12,337,100. Silver certificates outstanding, \$8,712,910. Certificates of deposit outstanding, \$10,245,000. Legal tenders outstanding, \$346,681, 016. Fractional currency outstanding, \$15,674,303.78.

Reduction of Bank Circulation.—The Metropolitan National Bank of this city, which had on deposit at Washington \$2,450,000 United States 4 per cent. bonds to secure \$2,205,000 note circulation, has taken up the bonds and for the time given up its note circulation. Mr. Geo. I. Seney, the President, when asked concerning the change, said that the operation was purely a matter of business, as the bank clears a profit by it of over \$90,000. The Metropolitan has a capital of \$3,000,000, is ably conducted, and occupies a leading position among the banks of the city.

Mr. Seney gives it as his opinion that if Congress would reduce the tax on note circulation one-half, it now being one per cent., the banks generally would freely take a bond bearing 3-45 per cent. and would largely increase their circulation; and that, all restrictions removed, the Metropolitan alone would take \$5,000,000 of such bonds.

Referring to this statement the "Evening Post" says: "There is no doubt that if the only legal tender were coin, and taxes on circulation were reduced, bank note circulation would be largely increased, and a place would be made for hundreds of millions of 3½ or 3-65 per cent. bonds. The volume of the currency would then adjust itself precisely to the much talked of 'wants of trade.' Banking would be, as now, free to all; every bank would issue as many notes as there was a demand for; the notes would be perfectly secured by the deposit of bonds, and when the demand for the notes ceased they would be returned to the bank for redemption in coin. Such a currency system would be as nearly perfect as it could be made, and if thoroughly understood it is not seen how any class could object to it.

Products of Western Mines.—From the annual statement of Wells, Fargo & Co, it appears that the gross result of mining operations in the States and Territories West of the Missouri River including British Columbia during the year 1879 was as follows: Gold, \$32,539,920; silver, \$38,623,812, and lead \$4,185,769. We extract the following from the circular:

"California shows a decrease in gold of \$140,342, and in silver of \$789,146—a net decrease of \$729,488. Nevada shows a total falling off of \$13,184,235, the yield from the Comstock being only \$8,830,562, as against \$21,295,043 for 1878—a decrease of \$12,464,481 from that locality. The product of the Eureka district is \$5,859,261 as against \$6,981,406 for 1878—a decrease of \$1,122,145. Utah shows a falling off of \$595,734, Colorado shows an increase of over \$8,000,000, chiefly from Leadville district. It has been exceedingly difficult to arrive at the actual production of Leadville, the two reliable reports varying more than \$3,000,000. Dakota shows an increase of \$993,183. The bullion from the Comstock Lode contains 41 20-100 per cent. gold and 58 80-100 per cent. silver. Of the so-called base bullion from Nevada 27 per cent. is gold, and of the whole product of the State 27 50-100 per cent. was gold.

The gross yield for 1879, shown above, segregated, is, approximately as follows:

Gold.	43 20-100 per cent.	\$32,539,920
Silver	51 25-100 per cent.	38,623,812
Lead	5 55-100 per cent.	4,185,769
		\$75,349,501

The outlook for 1880 does not indicate a greater product than for 1879."

The National Bank Note Circulation.

Statement of the Comptroller 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 January 1, 1880, and amount remaining on deposit at latter date.

STATES AND TERRITORIES.	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.
	Addit'n'l circulat'n iss'd since J'ne 20, '74	For re-empt'n of notes of liquidating banks.	To retire circulat'n und'r Act J'ne 20, '74	Total Deposits.		
Maine.....	\$1,461,180	\$317,000	\$800,000	\$917,000		\$222,661
New Hampshire.....	505,365	72,997	55,800	128,797		37,469
Vermont.....	1,999,310	174,097	1,069,340	1,243,437		139,080
Massachusetts.....	19,542,775	234,800	6,812,500	7,047,300		707,791
Rhode Island.....	1,619,020	32,350	735,385	767,735		72,212
Connecticut.....	2,485,460	65,350	1,645,830	1,711,180		375,181
New York.....	20,242,935	2,158,878	19,294,070	21,453,518		2,084,030
New Jersey.....	1,702,665	241,680	1,517,280	1,758,940		418,681
Pennsylvania.....	9,478,690	1,162,228	6,142,071	7,304,297		934,505
Delaware.....	232,175	.....	.....	.....		.....
Maryland.....	1,114,510	166,600	1,646,380	1,812,980		81,045
District of Columbia.....	455,500	417,664	427,500	845,164		39,096
Virginia.....	740,500	910,309	880,510	1,790,879		290,751
West Virginia.....	63,370	731,060	270,000	1,001,060		118,665
North Carolina.....	1,217,660	128,200	1,012,585	1,140,785		193,229
South Carolina.....	77,200	.....	953,380	953,380		35,545
Georgia.....	470,850	287,725	437,675	725,400		91,070
Florida.....	45,000	.....	.....	.....		.....
Alabama.....	207,000	.....	139,500	139,500		40,343
Mississippi.....	.....	.....	.....	.....		386
Louisiana.....	1,284,110	645,750	2,099,250	2,745,000		221,408
Texas.....	136,340	10,000	229,340	239,340		1,365
Arkansas.....	144,000	.....	144,000	144,000		6,032
Kentucky.....	3,622,430	629,867	1,441,933	2,071,800		387,165
Tennessee.....	534,800	280,901	533,859	814,700		110,421
Missouri.....	632,260	998,510	3,607,410	4,605,020		742,231
Ohio.....	2,494,880	1,538,754	2,940,787	4,488,541		1,018,832
Indiana.....	3,237,680	1,224,197	5,848,483	7,072,680		2,045,938
Illinois.....	2,215,565	1,734,934	6,400,246	8,135,180		1,063,473
Michigan.....	1,783,830	364,500	2,114,995	2,479,495		427,615
Wisconsin.....	695,830	628,860	878,439	1,505,299		324,992
Iowa.....	1,398,400	811,669	1,554,935	2,366,624		450,294
Minnesota.....	1,017,800	420,085	1,316,445	1,736,540		278,503
Kansas.....	147,600	781,721	190,550	972,271		259,411
Nebraska.....	67,500	45,000	188,080	233,080		9,205
Nevada.....	.....	.....	.....	.....		2,108
Colorado.....	468,900	135,083	149,400	284,483		26,937
Utah.....	134,900	161,191	196,800	357,991		20,002
Montana.....	64,500	82,300	45,000	127,300		51,000
Washington.....	135,000	.....	.....	.....		.....
New Mexico.....	45,000	.....	.....	.....		.....
Dakota.....	108,000	.....	.....	.....		.....
California.....	301,500	.....	.....	.....		.....
Legal-tenders deposited prior to June 20, 1874.				3,813,675		
Totals.....	\$84,031,090	\$17,592,303	\$73,529,378	\$94,935,331		\$13,374,757

JOHN JAY KNOX,
Comptroller of the Currency.

STATEMENT of the Comptroller of the Currency on January 1, 1880, showing the amounts of National Bank Notes and of Legal Tender Notes outstanding at the dates of the passage of the Acts of June 20, 1874, January 14, 1875, and May 31, 1878, together with the amounts outstanding at date, and the increase or decrease.

NATIONAL BANK NOTES.

Amount outstanding June 20, 1874.....	\$349,894,182
Amount outstanding January 14, 1875.....	351,861,450
Amount outstanding May 31, 1878.....	322,555,965
Amount outstanding at date*.....	340,961,216
Increase during the last month.....	2,342,558
Increase since January 1, 1879.....	18,638,362

LEGAL TENDER NOTES.

Amount outstanding June 20, 1874.....	\$382,000,000
Amount outstanding January 14, 1875.....	382,000,000
Amount retired under Act of January 14, 1875, to May 31, 1878.....	35,318,984
Amount outstanding on and since May 31, 1878.....	346,681,016
Amount on deposit with the Treasurer U. S. to redeem notes of insolvent and liquidating banks, and banks retiring circulation under Act of June 20, 1874.....	13,374,757
Increase in deposit during the last month.....	252,978
Increase in deposit since January 1, 1879.....	2,802,992
*Circulation of National Gold Banks not included in the above.....	\$1,428,120

JOHN JAY KNOX,
Comptroller of the Currency.

New Jersey—The Newark Savings Institution.

In a report of an* interview with one of the officers of the institution, he is quoted as saying that we have securities in hand to the amount of a million dollars, "upon which the money could be realized at any time." This statement is calculated to give a wrong impression. The institution has not such an amount immediately convertible into cash, except at such a sacrifice as would be most injudicious. The amounts available for a dividend are reported at brief intervals to the Chancellor pursuant to his order.

The paramount duty of the managers is to convert the assets into cash as rapidly as possible without too great a sacrifice, and to pay it over to the depositors. No one recognizes this duty more keenly than do the managers and officers. Every effort is strained in that direction, and, just as rapidly as this conversion can be judiciously made, it will be done. It should be remembered that forty per cent. of the deposits—more than four million dollars—was paid in about one year. To pay a dividend of ten per cent. requires upwards of a million dollars in cash; and while it is true that we have bonds and mortgages, and other interest-paying securities, amounting to several million dollars, to force them to an immediate sale would cause an unnecessary sacrifice, which we are confident may, to a great extent at least, be avoided by a little further delay. This is the idea intended to be conveyed in the brief interview alluded to. It is true that the market value of our securities has within a few months increased a million dollars at least beyond the amount at which they were valued by the commissioners appointed by the Chancellor, and negotiations are in progress daily which are still further increasing their value.

The managers are fully aware of their duty to their depositors. The details of our business are too vast and too important, too comprehensive and too delicate, to be ex-

*The reported "interview" grew out of one of those hasty, ill-advised, and incorrect accounts, so frequently brought in by reporters on the daily press, for publication to the world as facts. It is nothing but simple justice to exercise the greatest care in saying anything in the public prints regarding the standing or financial condition of banks—and this is especially true of savings institutions. Better say nothing than distort the truth.

plained understandingly by an officer in a brief conversation with the most intelligent interviewer; and hence it is not at all surprising that the misunderstanding which has rendered this statement necessary should have arisen.

Every depositor, of whatever rank or station, or of whatever amount, will receive every possible information from the officers at any time. The books and everything belonging to the bank are open to the fullest inspection. Indeed, it is the especial wish of the managers and officers that such inquiries and examinations should be made. By order of

THE FUNDING COMMITTEE.

BUSINESS IN THE SOUTHERN STATES.

INTERESTING ACCOUNTS FROM VARIOUS SECTIONS.

[From our general Southern Correspondent.]

AUGUSTA, GA., January, 2, 1880.

A review of the closing months of 1879 is in the main satisfactory.

With the exception of Memphis, whose unfortunate condition seems to engender yellow fever, the South has passed the warm season free from any epidemic, the Atlantic coast escaping entirely, and guaranteeing health with the exercise of due caution.

The cotton crop, as we predicted, has proved an average one, while the excellent prices have netted full if not extra returns. Many farmers hitherto burdened and despondent, are now operating on a cash basis, having relieved themselves of old obligations, which creditors would have gladly compromised a short time ago, and as the business of tilling the soil is remunerative, our farmers are encouraged to renewed efforts, and a demand for land is at length enhancing its value, and will in time restore the prosperity of the South.

One great drawback is the lack of skill in native labor, the masses of our young men not being satisfied with industrial pursuits. Farmers' sons quit their patrimonies to avoid the hard and steady toil of the furrow, and as a consequence the cities are overcrowded with green and incompetent clerks, very few of whom can ever rise to a position of independence. Heretofore apprentices and junior mechanics have worked too much at random, so that there has been no general shaping of means toward an end.

There is, however, constant improvement in this direction; skilled labor is growing popular; many families are establishing themselves on small farms, and they find their vocation pleasant and profitable. Others are helping to build up the villages and small towns, where their business can grow with the increase of population and wealth. The growth of small towns, which we have referred to before, is showing its effect in the building and extension of railroads, and lately there has been a large demand for railway iron and rolling stock in this section.

A department which has hitherto been neglected, but is at last receiving much attention, is the good breeding and improvement of cattle and poultry, and advancing the standard of native grasses and food products.

We are aware that our reports should keep clear of politics, but the enthusiastic greetings extended to General Grant on his late visit to our section, show that the era of peace and good will prevails over the extreme Southern States.

We have experienced such beneficial effects from the Georgia enactment which prohibits the carrying of concealed weapons, that it is a matter of regret that the South Carolina Legislature voted down the passage of a similar law in that State.

There has been a firm and healthy demand for money during the season, which continues active, and we fail to discern any material change which the 8 per cent. usury law passed in Georgia has made in the rates for money.

The bond and stock market has been quiet but steady, and all available securities show a marked and permanent advance. Money is in good demand at 10 per cent., and New York exchange is buying at $\frac{1}{4}$ and selling at $\frac{1}{2}$ discount.

[From our Correspondent for Virginia and North Carolina.]

RICHMOND, Va., Jan. 1, 1880.

Since our last report from this section a great change has taken place in the status and prospect of the Virginia State Debt.

On the 4th of November, 1879, a square and most determined battle having been fought upon the single issue of the McCulloch settlement, the Debt-payers were defeated by the combined forces of the Repudiators and Negroes.

Only 42 Debt-payers were elected out of 100 delegates, and 15 out of 40 Senators. On the 3d day of December they convened at the Capitol and organized both houses in the readjustment interest. Mr. John E. Massey, the most astute of the leaders of that party, was elected First Auditor, which is the most important office of the Government, as connected with its finances.

It is generally understood that General Mahone's plan is to reduce the consols and the 10-40s to the same position with the peelers, requiring all to be funded in a new three per cent. taxable bond, having — years to run, and coupons not receivable in payment of taxes. In order to do this it is rumored that he will have to overcome the Governor's veto by a two-thirds majority of both houses.

It is also thought by many that no means can be found to evade the decision of the Court of Appeals in the case of Antoni vs. Wright. On the other hand it is said, by good lawyers, that the decision in that case was erroneous; that a case can be made up which will secure a different decision; and, if not, that the decision can be practically evaded by the issuing of tax-receivable certificates for all the expenses of the Government, as has been done in the matter of the school fund, by which means the coupons will be so reduced in value that the creditors will be glad to make a new settlement.

Other methods have been suggested, by which the reception of coupons for taxes would be so obstructed as to greatly depreciate their value.

The alliance between the negroes and the readjusters gives great concern and uneasiness to the debt-paying party. By the united strength of those elements they are able to displace all the county judges in the State and substitute judges of their own following, who will appoint assessors in their interest to reduce the assessment of lands and personal property throughout the Commonwealth. The object of this is to reduce the revenues raised by taxation on real estate and personal property. The county judges are also officers of great political importance, because they appoint the judges of elections, and in many ways influence the local political machinery. Thus they expect to get control of the whole political machinery of the State, and elect two years hence the Governor and a new legislature. The legislature then elected will elect a new Court of Appeals.

If they succeed, they will elect a court which will reverse the decision of the present court in the case of Antoni vs. Wright. It is to-day a very serious question with the debt-paying party, whether they can afford ever again to make a fight upon the debt question.

The amount funded under the McCulloch settlement is about \$8,750,000.

There is no denying the fact that repudiation has alarmed the commercial public almost beyond reason, as the bonds continue to decline, and there is general depression in the face of active trade.

Cleveland's Business Success.—The pleasant lakeside city of Cleveland is getting its full share of the benefits coming from the general revival of business. According to the "Herald's" commercial report for the year just closed, the receipts of lumber were 204,000,000 feet, enough, one would say, to build a great many houses. This was an increase over 1878 of 87,000,000 feet. The coal receipts amounted to 1,600,000 tons, and the shipments to 700,000 tons. Of iron ore, 530,000 tons were received from Lake Superior, and smelted either in Cleveland or in the country tributary to it. The pork packing industry has been developed into considerable proportions. Cleveland cut up 480,000 hogs in 1879—100,000 more than in 1878—and as a Summer packing point now occupies the third place. The growth of Cleveland in population has kept pace with that of many cities further West that make a great deal more noise in the newspapers. From an exaggerated country village it has developed within the memory of men of middle age, into a bustling, wealthy manufacturing, and commercial centre, ranking next after Chicago among the cities of the Great Lakes.

RHODES' JOURNAL RECORD OF DEATHS.

MORRIS KETCHUM, one of the ablest bankers of this city, died January 1, 1880, aged eighty-four years.

When a young man he went to Savannah, Ga., and opened an office for the transaction of commission business. He was very successful, but only remained in Savannah three years, when he returned to this city and began business with his father as a cotton broker. He afterward formed a copartnership with Mr. Rogers, (of locomotive fame) and out of this firm grew the banking business of Ketchum, Rogers and Bement, later Ketchum, Howe & Co., and upon Mr. Howe's withdrawal, Mr. Ketchum took his son into partnership, the firm name being then Ketchum, Son & Co.

In 1864 a quarrel between the directors of the Fourth National Bank threatened to ruin the institution and force it into liquidation. Mr. Ketchum was selected as a compromise candidate for President. He accepted the position, and by his shrewd, careful management, the bank was brought safely through its troubles. Mr. Ketchum resigned from the position of President in January, 1865, and in the summer of that year, owing to the failure of his old firm, he was obliged to retire from business. Great sympathy was felt for Mr. Ketchum in this misfortune, but he made an honorable settlement with his creditors, and by his indomitable pluck and energy he again acquired a comfortable fortune. Mr. Ketchum was a man of the most sterling integrity, and one of the ablest men of finance in the city.

DAVID LEAVITT, formerly a prominent merchant and banker of this city, died December 30, 1879, at the advanced age of eighty-eight years, having been born on the 29th of August, 1791, at Bethlehem, Litchfield county, Connecticut. His father, also named David, was a wealthy and prominent man in that county.

In 1824 he was chosen President of the Fulton Bank in this city, but he retained the position for only a brief period. Mr. Leavitt was chosen President of the American Exchange National Bank, of this city in 1838, and he continued to hold the office until after 1857. During the panic in the last named year he addressed an excited crowd from the steps of the bank, and aided in allaying the popular alarm. He was an upright citizen, and a far-seeing, energetic man of business.

FRANCIS BURNS, one of the oldest and most highly esteemed citizens of Baltimore, died December 28, 1879, in the eighty-eighth year of his age.

During his life he was connected with a number of corporations and institutions, being a director of the Baltimore and Ohio Railroad for nearly twenty-five years, and also of the Baltimore Savings Bank for a number of years. The latter position he resigned in 1847 to become a director in the Eutaw Savings Bank, which was established that year, and of which he was one of the founders.

CHARLES H. DABNEY, long one of the most prosperous bankers in this city, died at Hastings, England, December 15, 1879, in the seventieth year of his age.

He will be remembered as a member of the firm of Duncan, Sherman & Co., in its earlier days, and later on of the firm of Dabney, Morgan & Co., the predecessors of Drexel, Morgan & Co., of this city. It is doubtful if any business man ever enjoyed a higher reputation for honor, integrity, and conservative judgment.

GEORGE BOWEN, President of the New England Commercial Bank, of Providence, died December 13, 1879.

He was a prominent member of the Society of Friends, and enjoyed an enviable reputation for probity and fair dealing.

JOHN S. GITTINGS, for forty years President of the Chesapeake Bank, Baltimore, died December 8, 1879, aged eighty-one years.

ROBERT N. LANNY, formerly President of the National Bank of the Republic, New York, died December 14, 1879, aged seventy years.

Bank Changes, New Banks, Etc.

COLORADO.—F. A. Reynolds & Co., Cleora; discontinued.

F. A. Reynolds & Co., Buena Vista.

CONNECTICUT.—Tolland County National Bank, Tolland; Arthur J. Morton, Cashier, in place of C. A. Hawkins.

ILLINOIS.—T. J. Bunn & Co., Bloomington; W. D. Hubbard, retires. T. J. Bunn and Joseph B. Powell continue.

Chestnut & Thomas, San Jose; now Isaiah Thomas.

INDIANA.—Meridian National Bank, Indianapolis. No cashier in place of J. O. Radcliffe.

KANSAS.—Republican Valley Bank, Clay Centre; Allen Wilson, President; J. P. Campbell, Cashier.

Sumner County Bank, Wellington; Elmer Chase, President; Winfield S. Thompson, Cashier.

KENTUCKY.—First National Bank, Springfield; James A. Kelly, Cashier *pro tem*.

MASSACHUSETTS.—Tower, Giddings & Co., Boston; A. C. Tower, admitted.

Fitchburgh National Bank, Fitchburgh; George T. Daniels, acting Cashier.

Holyoke National Bank, Holyoke; W. G. Twing, Cashier, in place of W. C. Simons.

Merchants' National Bank, Newburyport; Isaac H. Boardman, President, in place of N. Hills.

First National Bank, South Weymouth; J. H. Stetson, acting Cashier.

MICHIGAN.—Ball, Barton & Co., Alma.

C. G. Loase, Reed City.

J. E. Gardner & Co., Sheridan.

MISSOURI.—Bank of Brookfield, Brookfield. Joseph W. Aldrich, President; Robert C. Lockwood, Cashier. \$8,500 capital.

Merchants' National Bank, Kansas City; No. 2,440. F. L. Underwood, President; J. M. Coburn, Cashier. \$250,000 capital.

Franklin Avenue German Savings Institution, St. Louis; now Franklin Bank. Same officers.

NEBRASKA.—Franklin County Bank, Bloomington; now Harman, Shaffer & Switzer.

Lancaster National Bank, Lincoln; John H. Fawell, Cashier, in place of G. C. Newman.

NEW HAMPSHIRE.—Mechanicks National Bank, Concord; No. 2447; Josiah Minot, President; James Minot, Cashier. \$100,000 capital.

Minot & Co., succeeded by Mechanicks National Bank.

Franklin National Bank, Franklin; No. 2443; —, President; Frank Proctor, Cashier. \$100,000 capital.

NEW YORK CITY.—Mechanics' and Traders' National Bank; George W. Nash, President, in place of S. T. Brown, deceased.

National Bank of the State of New York; R. L. Edwards, President, in place of W. H. Hays; John H. Ralston, Cashier, in place of R. L. Edwards, promoted.

Scranton & Willard; William R. Kitchen admitted.

C. F. Smithers & W. Watson; now W. Watson & Alexander Lang.

NEW YORK.—First National Bank, Carthage; No. 2442; Gilbert B. Johnson, President; Ephraim H. Meyers, Cashier. \$50,000 capital.

Bank of Carthage (Myers & Rogers); now First National Bank.

National Bank of Ogdensburg; No. 2446; James R. Bill, President; E. N. Merriam, Cashier. \$100,000 capital.

Poland National Bank, Poland; No. 2441; Wm. Buck, President; Charles S. Millington, Cashier. \$50,000.

Bank of Poland; now Poland National Bank.

OHIO.—Farmers and Mechanics' National Bank, Cadiz; No. 2444; Wm. Beadle, President; Melford J. Brown, Cashier. \$50,000 capital.

First National Bank, Geneva; W. H. Munger, Cashier, in place of J. B. Stephens.

Centreville National Bank, Thurman; M. E. Beman, Cashier, in place of R. P. Porter.

PENNSYLVANIA.—Philadelphia National Bank, Philadelphia; James M. Gregg, Cashier, in place of B. F. Chatham, deceased.

Seventh National Bank, Philadelphia; L. B. Brown, President, in place of C. S. Close.

SOUTH CAROLINA.—Lovinggood & Ervin; now Ervin & Verner.

TEXAS.—R. P. Faddis & Co., Hempstead; now Bank of Hempstead.

E. F. Hall, Laredo; discontinued.

WEST VIRGINIA.—First National Bank, Grafton; 2445; Thomas E. Davis, President; Francis M. Durbin, Cashier. \$85,000 capital.

Grafton Bank; succeeded by First National Bank.

WISCONSIN.—Bank of Viroqua, Viroqua.

THE BANKER'S INDEX.

The Money Market and Financial Situation.

New York, January 10, 1890.

Our review of the stock market for November brought the narrative down to the close of that month, when the tone was greatly unsettled, by reason of the raid on the 21st and the events immediately succeeding. The market did not entirely recover from the effects of the break, and it was evident that outside speculators, having had their confidence so rudely shaken, were indisposed to assume the risks of operations in a market which was almost entirely in the control of the cliques. Therefore the speculation was mainly left to the professionals, and those outsiders who did enter the arena moved very cautiously.

The influences operating upon the market at the beginning of the month of December, had a tendency to depress prices. Both the President and the Secretary of the Treasury had expressed themselves in their communications to Congress in favor of taking steps which would improve the character of the currency. The President proposed to deprive United States notes of their legal tender quality, and the Secretary suggested retiring a portion of them. While it was evident that nothing definite in this direction would be done by Congress at present, the fact that these propositions were made by such high authority tended to reopen the currency question and furnish material for a prolonged discussion of a subject which always has been, and probably will be, a disturbing element in politics and business, until finally set at rest by something better than experimental legislation. The bears in stocks were disposed to make the most of these recommendations regarding the currency, and they did their best to depress the market, calling to their aid all the arguments that could be employed, to show that the adoption of the measures recommended by the President and Secretary would result in such a contraction of the currency as would check all speculative movements. The discussion of these theories and the denial of stories which had been current regarding Mr. Vanderbilt's stock operations, kept the market unsettled during nearly the whole of the first week in December. Toward the close, however, the assurances from Washington were so positive that nothing would be done in the matter of the currency, at least until after the Holidays; the conviction that the bears were quietly picking up stocks, and reports that Mr. Gould, who was then in the Southwest, was making new combinations among roads in that section—all tended to impart a strong tone to the market, and it closed comparatively buoyant on the 6th. It was active and generally strong during the second week in December, when about the highest prices of the month were recorded for the leading stocks. The advance was gradual and by no means confident, for buyers saw that the period was approaching when money would become naturally stringent, and the bears might then take advantage of the situation to again raid the market. Therefore as prices rose the advance was checked by realizing sales, and the trading in the market was chiefly for the purpose of making small profits on quick turns. One feature of the speculation was the movement in the St. Louis & San Francisco stocks, which advanced by reason of reports, subsequently confirmed, that the Atchison, Topeka & Santa Fe would unite with the San Francisco in building a line from Albuquerque westward to San Diego, on the thirty-fifth parallel land grant of the Atlantic & Pacific road, to which the St. Louis & San Francisco succeeded. The rise in these stocks was engineered from Boston, and some degree of confidence was felt in the properties by reason of the character of the promoters of this enterprise.

For the greater part of the third week in December there was little better than.

a broker's market, and the trading was confined to the favorites, the fluctuations in which were within comparatively narrow limits. On the afternoon of the 19th a determined raid was made upon the St. Louis and San Francisco stocks unsettling all the Southwesterns, holders of which became alarmed at the sharp decline in the former, and, ignorant, at the time, of the cause, they sold out upon a falling market. The raid was carefully planned, and it is alleged that the early preparations embraced the introduction into Congress of a joint resolution calling for the forfeiture of all land grants to roads which had not earned the land by building the line within the period specified in the grant. This resolution was introduced early in the week, and had the effect of calling the attention of the public to the condition of the various land grants. It was shown that the Atlantic and Pacific grant was dated in June, 1868, and it was claimed—in a communication to the *Boston Advertiser*, by Mr. H. W. Poor, of *Poor's Railroad Manual*, whose opinion had been asked—that as this company had not built one mile of road by July, 1878, the grant of land had become forfeited to the United States. This claim, set forth so positively by a gentleman who, from his position, was regarded as competent to judge, led the speculators in the St. Louis and San Francisco stocks to consider upon what a frail basis they had operated, and it is not surprising that the fall in the stock was rapid, Boston holders of the property being among the first to get out. On Saturday morning, the 20th, the market for the San Franciscos was rallied by a vigorous effort on the part of the bankers who had been promoters of the scheme, and this, for the moment, restored confidence in the other Southwesterns. In the afternoon of that day the Vanderbilt specialties were raided, and stories were circulated, which were subsequently contradicted, that both Mr. Vanderbilt and Mr. D. O. Mills, a heavy speculator in Lake Shore, had sold large lines of these properties. This raid again unsettled the market and the decline was aided to a great extent by the large decrease in reserve, as shown in the bank's return of the 20th. The bulls rallied to the support of stocks in the late trade, but the market closed feverish.

On Monday came the news that the Texas Pacific had made important concessions to the Atchison, Topeka and Santa Fe, by which the latter obtained harbor and depot facilities at San Diego, California, and it was at once assumed that, as Mr. Gould was indirectly interested in the Texas Pacific extension, the raid of the previous Friday was made for the purpose of enabling him to buy largely of the San Francisco stocks. A very plausible explanation of the motive which actuated the Texas Pacific managers in making this concession is given by the *Chicago Tribune*. The writer says that the Atchison, Topeka and Santa Fe managers and Mr. Gould discovered that the Chicago, Burlington and Quincy officers, and some of the largest owners of the Central Pacific were considering a plan by which the former was to be extended by means of the Burlington and Missouri River in Nebraska to Denver, and thence to Ogden, there forming a junction with the Central Pacific, and giving the latter an Eastern outlet independent of the Union Pacific. This arrangement would, of course, be antagonistic both to the Atchison, Topeka and Santa Fe and the Union and Kansas Pacific and, consequently, it is reported, an alliance was formed between the Atchison managers and Mr. Gould, by which the Texas Pacific could be extended so as to connect with the St. Louis and San Francisco and the Atchison, Topeka and Santa Fe lines, instead of being continued so as to meet the Southern Pacific, which is owned by the Central Pacific managers. Then the Utah Southern could be built so as to connect the Union Pacific with the San Francisco, thus giving the Union an independent line westward to San Diego. The letter of Mr. Poor to the *Boston Advertiser*, above referred to, called forth a card from Mr. Baker, the solicitor of the Atlantic and Pacific, in which he denied that the land grant had been forfeited. The facts in regard to the matter of the grant were thoroughly discussed by others who were in a position to know whereof they wrote, and the conclusion arrived at appears now to be that the land grant has not been forfeited, because neither judicial nor legislative action has been taken to declare a forfeiture.

The denial of the reports regarding the Vanderbilt specialties and the change of opinion concerning the San Francisco properties, aided by manipulation by the bulls, contributed to advance the general market on Monday, Tuesday, and Wednesday of the fourth week in the month, but the rise was retarded by the activity in money each day. Erie was strong on the appearance of the details of the annual report, and

it was mainly influenced by the very hopeful manner in which President Jewett referred to the future of the road; he claiming that as the business of the line had been circumscribed by lack of facilities, the increase of the latter would enable a larger traffic to be done at reduced expenses. Part of Wednesday was devoted by the brokers to a Christmas jubilee, and the Exchange did not open until 11 o'clock on Friday. The market was irregular on that day, and one feature was a sharp fall in Manhattan Elevated Railway stock, believed to be due to speculative manipulation, as it soon recovered when the pressure of sales was removed. On Saturday the tone was not very confident in the morning, but by noon the news came from Washington that the Secretary of the Treasury had ordered the payment of the January interest without rebate, on and after Monday. This assurance of a supply of new money to the market, stimulated an advance which was led by Erie and the Vanderbilt specialties, and prices of leading stocks closed at about the highest of the day. On Monday the bull cliques took advantage of the short interest existing in the market, to worry some of the bears, and the latter were induced to cover on the news that the payments for interest by the Treasury were large on that day, and that the exchanges at Western cities were turning in favor of this centre, thus giving assurance of a speedy increase in the bank reserves. On Tuesday active money, realizing sales, and an apparent indisposition on the part of the bulls to sustain prices, contributed to a decline, but on Wednesday the market was rallied again, and it closed strong for the investment shares, and the majority of the speculative stocks.

The market opened comparatively strong after the New Year Holiday, but it was immediately unsettled by the natural effects of a change in the interest law of this State. The new rate of 6 per cent. did not represent the value of money in the market, and some lenders were in doubt as to the operation of the new law, a few claiming that the usury act was repealed. In the absence of any legal decision upon this point lenders agreed, without much hesitation, to pursue the plan which had worked well heretofore, and charge such a commission for effecting the loan as would, as nearly as possible, represent the value of money in the market. The smallest fraction representing this commission had been 1-64 of one per cent., and this was adhered to, although the exaction of this rate, would make the price of money about 18 per cent. per annum. Banks were indisposed to lend upon call at the new rate of 6 per cent., and preferred to make time loans. Thus was the money market disturbed at the beginning of the year, and the stock speculation was directly influenced thereby. In a few days the stringency in money passed away. The disbursements of interest by the Treasury and dividends by corporations were large, and it was seen that the banks would soon rapidly gain in reserve. At the same time there were unmistakable indications that the domestic exchanges were turning toward this centre, thus bringing back the money that had been sent West and South for crop purposes. This prospective ease in money stimulated the stock speculation, and the market became active and strong. But there were powerful influences at work in the opposite direction, and outside speculators feared to operate, except with great caution, lest a raid might be made upon the market by the bears which would have a demoralizing effect. Stories were circulated that the Western Union contracts with the Pennsylvania Company would be annulled, and that the American Union would have the exclusive right of way over the Pennsylvania road. This served to break down the telegraph stocks until the story was denied. It was reported that the Wabash managers contemplated the construction of a line from Toledo to Buffalo, and this story, until contradicted, aided the bears in depressing Lake Shore, Mich. Cen. and Canada Southern. The fear of a possible raid induced holders of stocks, other than those enumerated and those who had recently bought them to take small profits as the market rose, and thus the advance was met by realizing sales, which had a tendency to retard the upward movement. It was not until early in the current week that the advance became decided. Then it was seen that the flow of currency from the West was large, that the disbursements of interest and dividends had been heavy, and that it was certain that the Secretary of the Treasury would obtain, on the 7th, the whole of the \$5,000,000 bonds he had called for on the 2nd for the sinking fund. This made it certain that money would be easy. The contradiction of the stories regarding the telegraph lines and the Wabash extension, the announcement that the syndicate, who took 150,000 shares of New York Central stock in November, would take 100,000 shares more, the

introduction of a bill at the opening of Congress providing for the establishment of a United States Court in the Indian Territory—which was believed to be the beginning of legislation regarding that Territory—and various reports concerning the designs of leading speculators respecting railroad properties, all contributed to make the market strong during the latter part of the week. Since the middle of December the first-class investment stocks have shown a decided gain. The natural effect of the new six per cent. interest law was to induce people having money which had been invested at 7 per cent., to seek to place it where it would earn more than six. This brought to Wall street a large amount which sought investment in dividend paying stocks, and first class railroad mortgages.

The speculation last year in stocks of roads which had been reorganized, carried prices of some of them so high that these properties will not be likely to tempt the careful investor, unless, after thorough examination he shall find that there is a probability that some of the stocks and bonds will, in a comparatively short time, resume the payment of dividends or interest. The sentiments of the majority of the speculating public are decidedly in favor of higher prices. Those who made money in 1879, and did not lose it, and those who lost the bulk of their gains by the break in November, and have not become disheartened thereby, will be disposed to tempt fortune again as soon as the conditions will favor a rise in stocks, and these are among the speculators who are now looking for a "boom" before the close of January.

MONEY.—Money on call, as will be seen by the table below, was in fair supply in the early part of December, and it was not until the fourth week that it became sufficiently active to command a higher rate than legal interest. The domestic exchanges ruled against this centre during the whole month. The demand from the West and South for money was so urgent, that after all the available notes had been obtained, gold was sent away, and, in order to save the expense of transporting coin, silver certificates were in request. This drain of specie is shown in the bank return. The imports of gold were comparatively light, for reasons which are given in our review of the Exchange market, and the demand was daily in excess of the supply, not only for legitimate purposes of trade, but to carry on the speculation in grain here and at western points. This inquiry for money enabled the Treasury Department to dispose of nearly as many of the standard silver dollars as the monthly coinage amounted to, and the coins were readily accepted by the public, in the absence of small notes, and were kept in circulation. Toward the close of the month large speculators in stocks began to provide themselves with money on time, for the purpose of tiding over the period of stringency, and in the majority of cases these loans were made at 6 per cent. for thirty days and 7 for sixty days on stock collateral, and 4 to 5 and 5 to 6 for thirty and sixty days respectively on Government collateral. The banks were not unwilling to make these loans for the longer period, because they desired, by making contracts before the close of the year 1879, to avoid the operation of the 6 per cent. interest law, which went into effect January 1st. They were not disposed, however, until the last of the year, to make loans on short time, as they wished to take advantage of the high rates which ruled for money on call. The course of money thus far this year has been indicated in the review of the Stock market above.

The recommendations of the President and Secretary of the Treasury regarding United States notes, provoked a lively discussion in Congress. Neither party appeared desirous of initiating measures which would result in a contraction of the currency, or in changing the character of United States notes, and it was proposed to throw the responsibility of taking action, which all felt must be taken sooner or later, upon the United States Supreme Court, by asking that tribunal to advance the legal tender cases upon the calendar so as to secure an early decision. The only motion which was made before the Court was by Senator Edmunds, who urged forward a case in which he was counsel, which involved the right to reissue United States notes after the same had been redeemed. Several bills were introduced in Congress upon the subject of United States notes, and the one which found most favor was that presented by Senator Bayard, which proposed to deprive the note of its legal tender quality, without attempting to contract the volume of the currency. Congress adjourned on the 10th of December for the Holiday recess, and when it reassembled the subject was resumed. The Supreme Court announced early this week that the cases on the docket

involving constitutional questions would not be taken up until argument could be heard before a full bench. This disposes of the legal tender suits for this year at least.

RATES FOR MONEY ON CALL.

The following table shows the daily rate for money on call, on pledge of stock collateral, at the New York Stock Exchange during December. The legal rate of interest was 7 per cent., and where this was exceeded a commission, shown by the fractions, was paid—thus 1-16 and 7 means 1-16 of one per cent. commission for effecting the loan, in addition to the legal rate of 7 per cent.:

	Opening.	Highest.	Lowest.	Closing.
December 1.....	6	7	5	7
" 2.....	6	7	4	4
" 3.....	6	7	4	4
" 4.....	6	7	4	4
" 5.....	6	7	6	6
" 6.....	6	7	5	7
" 8.....	6	7	5	4
" 9.....	6	7	5	5
" 10.....	6	7	5	3
" 11.....	6	7	5	5
" 12.....	6	7	6	6
" 13.....	6	7	5	5
" 15.....	6	7	4	4
" 16.....	6	7	6	6
" 17.....	6	7	5	5
" 18.....	6	7	5	5
" 19.....	6	7	6	6
" 20.....	6	7	6	6
" 22.....	6	7	3	4
" 23.....	7	1-16 & 7	6	7
" 24.....	7	1-16 & 7	7	5
" 26.....	7	1-32 & 7	4	4
" 27.....	7	1-32 & 7	5	5
" 29.....	7	1-32 & 7	7	7
" 30.....	7	1-16 & 7	7	7
" 31.....	7	1-32 & 7	7	7
1890.				
January 2.....	1-64 & 6	1-32 & 6	1-64 & 6	1-32 & 6
" 3.....	6	1-64 & 6	3	3
" 5.....	6	1-32 & 6	6	6
" 6.....	6	1-64 & 6	6	1-64 & 6
" 7.....	6	6	6	6
" 8.....	6	6	3	3
" 9.....	6	6	4	4
" 10.....	6	6	5	6

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.....	5/8 @ 6	6 @ 5/8
Good.....	6 @ 7	6 1/2 @ 7
Single-named—		
First-class.....	6 @ 7	6 @ 7
Good.....	8 @ 9	8 @ 9
Not so well known.....	9 @ 10	9 @ 10

WEEKLY RETURNS OF THE NEW YORK ASSOCIATED BANKS—DEC. 6TH TO JAN. 10TH.

It will be seen by the following report of averages that the associated banks steadily reduced the surplus reserve during the month of December, so that it stood on the 27th at \$212,350, against \$7,686,675 on December 6th. The loans were increased from \$273,101,100 Dec. 6, to \$278,098,100 Dec. 20, in consequence of the demand for time

money above referred to, but the deposits were drawn down from \$247,559,200 Dec. 13, to \$242,062,200 Dec. 27, by reason of the movement of money away from this centre. The circulation has slowly increased, and it would doubtless be more rapidly augmented were it not for the burthen of taxation imposed upon it. The following is the table:

	Dec. 6.	Dec. 13.	Dec. 20.	Dec. 27.
Loans.....	\$273,101,100	\$275,750,100	\$278,068,100	\$277,584,200
Specie.....	54,771,000	54,069,400	50,842,900	48,638,200
Legal-tenders.....	14,673,200	13,403,900	12,543,400	12,069,700
Total reserve.....	69,444,200	67,473,300	63,386,300	60,727,900
Deposits.....	247,030,100	247,559,200	246,118,600	242,062,200
Reserve required.....	61,757,525	61,889,800	61,520,650	60,515,550
Surplus.....	7,686,675	5,583,500	1,856,650	212,350
Circulation.....	23,255,100	23,463,900	23,651,900	23,732,900

The following shows the bank returns for Jan. 3d and 10th. It will be seen that there has been a very satisfactory gain in reserve, resulting from the disbursements by the Treasury of the January interest, and in payment for the bonds bought for the sinking fund on the 7th inst:

	Jan. 3.	Jan. 10.	Differences.
Loans.....	\$276,706,200	\$276,116,100	Dec. \$590,100
Specie.....	48,282,100	51,473,500	Inc. 3,191,400
Legal tenders.....	12,723,500	14,097,900	Inc. 1,374,300
Total reserve.....	61,005,600	65,571,300	Inc. 4,565,700
Deposits.....	242,087,100	246,995,600	Inc. 4,908,500
Reserve required.....	60,621,775	61,748,900	Inc. 1,227,125
Surplus.....	483,825	3,822,400	Inc. 3,338,575
Circulation.....	23,743,600	23,812,900	Inc. 64,300

STATE BONDS.—The business in State securities has been confined to District of Columbia and Missouri for investment, and to Louisiana, Tennessee and North Carolina for speculation.

RAILROAD BONDS.—The movement in the Erie consols has been large, and especially so since the details of the annual report were published. Texas Pacific consols advanced on the announcement that arrangements had been made for extending the road. The Iron Mountains improved, by reason of the very favorable traffic reports, and the C., C. and Indiana Central, and Boston, Hartford and Erie bonds were the favorites among speculators. There was a large demand for first-class bonds toward the close of December, and the market for them was strong, the inquiry being in excess of the supply. This demand has continued unabated to the present time, and within a few days the Missouri, Kansas & Texas and other Southwestern mortgages have been in request.

THE GOVERNMENT BOND MARKET was unsettled about the first of December, by the suggestion contained in the report of the Secretary of the Treasury, presented to Congress on the 1st, that authority be given at the present session to issue, sell, and dispose of, at not less than par in coin, four per cent. bonds and refunding certificates to the extent necessary to redeem the bonds falling due on or before July 1, 1881. As these bonds amount to \$782,071,700, and as the unissued fours are only \$104,654,050, the Secretary desired authority to issue \$677,417,650 four per cents, in addition to the amount authorized by the act of July 14, 1870, amended January 20, 1871. It was natural that this proposition should disturb the market for the fours, fives, and sixes, but the tone improved when it was seen that the Ways and Means Committee were indisposed to authorize the issue of any more fours, some of the members being of the opinion that the further refunding of the debt could be accomplished with bonds bearing not more than three and a half per cent. interest. The conviction that nothing would be done at present in relation to this matter, aided in advancing the price of bonds, and the improvement was steady to the end of December, when the market was strong by reason of the investment demand usual at this season. The Secretary of the Treasury made an effort to obtain \$1,000,000 sixes of 1881 for the sinking fund early in December, but the majority of holders would not part with them at his price—106.35—and not more than about \$250,000 were obtained.

On the 2nd inst. Mr. Sherman asked for proposals for the sale to the Department of

\$5,000,000 of any of the 6s of 1880 or 1881, or 5s of 1881, for the sinking fund, naming as the prices which he would give 102½ for 6s of 1880, 104¼ for 6s of 1881, and 103½ for 5s of 1881. The whole amount asked for was obtained on the 7th inst., at and a fraction below these figures. This further stimulated the movement in Governments, and the advance has been steady since the beginning of the year.

The following table shows the prices of Government bonds for five weeks past on the dates named:

		Dec. 15.	Dec. 20.	Dec. 28.	Jan. 2.	Jan. 9.
	Int. Periods.					
6s, 1880, reg.	J. & J.	102½	102½	102½	102½	102½
6s, 1880, coup.	J. & J.	106½	105½	105½	102½	102½
6s, 1881, reg.	J. & J.	103½	104¼	104	104¼	104½
6s, 1881, coup.	J. & J.	106½	107½	107	104½	104½
5s, 1881, reg.	Q.—Feb.	103	103½	103	102½	102½
5s, 1881, coup.	Q.—Feb.	103	103½	103	103¼	103½
4½s, 1881, reg.	Q.—Mar.	105½	106½	106½	106¼	107
4½s, 1881, coup.	Q.—Mar.	105½	106½	106½	106¼	107
4s, 1897, reg.	Q.—Jan.	102½	103½	102½	103	103¼
4s, 1897, coup.	Q.—Jan.	103½	104	103½	103	103½
6s, currency, 1895, reg.	J. & J.	120¼	121	121	120	121¼
6s, currency, 1896, reg.	J. & J.	120¾	121¼	121¼	120¾	121½
6s, currency, 1897, reg.	J. & J.	121	121¼	121¼	121	121¾
6s, currency, 1898, reg.	J. & J.	121¼	122	122	121¾	122¼
6s, currency, 1899, reg.	J. & J.	121¾	122¼	122¾	122	122¾

FOREIGN EXCHANGE.—Early in December the rates for sterling were strong, and there was a sharp advance during the second week, by reason of a steady demand and a short supply. The speculation in cotton and other staples had been carried to such an extent that the export movement was at a stand. Prices of exportable products were higher in Liverpool than they were here, and consequently no new bills were made. The imports were increasing, and for the week ended December 18th, the arrivals at this port alone amounted to \$10,223,356, or within about \$100,000 of the highest of the year. Gold could not be imported at the rates for sterling then ruling, and it was evident that unless there was a speedy change in the situation, gold might soon have to be sent abroad. The cotton speculation broke down, and there was a fall in sterling on the 15th, but on the 18th the sight rate advanced in consequence of a little firmer feeling in the London discount market, where American bills were freely offered, the drawers employing the proceeds of discounts in this market. From this time to the end of the month the market was without special feature. The tone was dull for the first few days in January, but lower rates for discounts in London caused an advance early this week in long bills, and toward the close of the week sight also moved upward, by reason of a scarcity of commercial exchange and the demand for remittance in settlement for bonds imported. At the current figures gold cannot be brought hither at a profit. The following were the closing rates for exchange January 10:

	60 days.	Demand.
Prime bankers' sterling bills on London	4.81¼@4.82½	4.84 @4.85
Good bankers' and prime commercial	4.81¼@4.81½	4.83¼@4.84
Good commercial	4.80½@4.81	4.83 @4.83½
Documentary commercial	4.80 @4.80½	4.82¼@4.83
Paris (francs)	5.23½@5.21¼	5.20½@5.18¾
Antwerp (francs)	5.23½@5.21¼	5.20½@5.18¾
Swiss (francs)	5.22½@5.21¼	5.20½@5.18¾
Amsterdam (guilders)	39¾@ 40	40 @ 40¼
Hamburg (reichsmark)	94½@ 94¾	95¼@ 95½
Frankfort (reichsmark)	94½@ 94¾	95¼@ 95½
Bremen (reichsmark)	94½@ 94¾	95¼@ 95½
Berlin (reichsmark)	94½@ 94¾	95¼@ 95½

Stock Transactions for the Year 1879; Also Closing Prices December 31, 1879, and 1878.

The following table exhibits the range of prices during the past year, the closing prices on December 31, 1879 and 1878, the fluctuations of the past year, and the total number of shares sold, as officially reported, of the active stocks dealt in at the Stock Exchange:

	Range of prices during 1879.		Closing Dec. 31, 1879.	Closing Dec. 31, 1878.	Fluctua-	No. shares sold dur'g
	High.	Low.	1879.	1878.	tions.	1879.
Canada Southern.....	78½	45¼	68¼	45	23¼	241,796
C., C., & Ind.....	85½	34¾	79	34¾	50¾	344,719
C., C. & Ind. Central.....	28	5	20¼	5¾	23	729,905
Chesapeake & Ohio.....	23	3½	19	....	19¼	239,012
Chic. Bur. & Quincy.....	134½	111½	134½	111	23¾	83,268
Chic., R. I. & Pacific.....	150	119	147	120¼	31	137,196
Chic. & Alton.....	100¼	75	100	79¾	25¼	89,857
Chic., St. Paul & Minn.....	56	21	47¾	....	35	174,911
Chic. & Northwestern.....	94½	89¾	90¾	50¾	44¾	6,325,529
Chic. & Northwestern pref.....	108	76¾	105¼	78¾	31¾	1,982,782
Chic., Mil. & St. Paul.....	82½	34¾	75¾	37	47¾	5,524,845
Chic., Mil. & St. Paul pref.....	102¾	74¾	100¾	76¾	28	933,243
Del., Lack. & Western.....	94	43	83¾	42¾	51	7,917,643
Delaware & Hud. Canal.....	89½	38	74	38	51½	879,529
Hannibal & St. Joseph.....	41½	13¼	39¾	13¾	28¼	837,293
Han. & St. Joseph pref.....	70½	34	63¾	54½	36¾	697,532
Lake Erie & Western.....	29	16	20¼	....	13	46,941
Louisville & Nashville.....	89½	35	86¾	39	54½	471,247
Lake Shore.....	108	67	100	68¾	41	6,176,973
Manhattan Railway.....	72½	35	58¼	....	37½	205,067
Metropolitan Railway.....	129½	110	120¼	....	19¼	26,333
Michigan Central.....	98	73¾	89¼	73¼	24¼	1,271,472
Mo., Kansas & Texas.....	35¾	5¾	32¼	6¾	30¾	2,047,622
Morris & Essex.....	104½	75½	102	76	29¾	593,512
Nash., Chat. & St. Louis.....	83¾	35½	81	....	48¾	266,293
New Jersey Central.....	86¾	33½	80¾	33¾	56¾	3,244,534
N. Y. Cent. & Hudson.....	139	112	129	114	27	153,617
N. Y., Lake Erie & W.....	49	21½	42¾	22¾	27¾	11,676,635
N. Y., L. E. & W. pref.....	78½	37½	69	38	41	627,037
Northern Pacific.....	40½	16	32¾	....	24½	252,274
Northern Pacific pref.....	65	44¼	55¼	....	20¾	308,406
Ohio & Mississippi.....	33¾	7¾	28¾	25¾	7¾	1,695,120
Ohio & Mississippi pref.....	64¾	10	57¾	19¾	25¼	163,921
St. Paul & Sioux City.....	45¼	31	36¾	....	14¼	86,168
St. Paul & Sioux City pref.....	70¾	58½	74¾	....	21¼	42,822
St. L., K. C. & Western.....	47¾	7	46	6¾	40¾	827,898
St. L., K. C. & W. pref.....	72¾	5¼	72¾	25¼	....	1,076,341
St. L. & San Francisco.....	53	3½	40	37¾	49¾	329,959
St. L. & San Fran. pref.....	60¼	4¾	49¾	4¾	56¾	584,594
St. L. & San Fran. 1st pref.....	78½	9¾	80	11½	68¾	220,552
St. L., I. M. & Southern.....	56	13	49	13	43	945,209
Union Pacific.....	95	57½	85½	66¾	37½	895,042
W., St. Louis & Pacific.....	50	29	42¼	....	21	336,169
W., St. L. & P. pref.....	78	59	64½	....	19	399,549
Old Wabash.....	62¾	17¾	56¾	22¾	45	2,401,222
Atlantic & Pac. Tel.....	49¾	29	43	28¼	20¾	330,027
Western Union Tel.....	116	88¾	102¾	95¾	27¾	3,191,194
Pacific Mail.....	30¾	10¾	37¼	13¾	29	1,935,019
All other stocks.....	....	....	....	....	....	4,456,461

Total sales for the year..... 74,251,278

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, Jan. 8; 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	SECURITIES.	Bid.	Askd
STATE STOCK.			N. C. new bonds, April & Oct.		
Alabama 5s, 1883.			do special tax, class 1.	4	
do 5s, 1886.			do do class 2.		
do 8s, 1886.			do do class 3.	8½	4½
do 8s, 1888.			Ohio 6s, 1881.	101	
do 8s M & Eufala R.R.			do 1886.	100	
do 8s Ala & Chat R.R.			Rhode Island 6s.		
do 8s of 1892.			South Carolina 6s.		
do 8s of 1893.			do Jan & July.		
do consols class A.	54½	56	do April & Oct.		
do do do B.	81		do funding act 1866.		
do do do C.	60	63	do land C 1889 Jan & J.		
Arkansas 6s funded.			do land C 1889 Apr & O.		
do 7s L Rk & Ft S iss.	4		do 7s of 1888.		
do 7s Memp & L R.			Non-fundable bonds.	29½	3
do 7s L Rk P B & N O.		6½	Tennessee 6s, old.	32½	33½
do 7s Miss O & R Riv.	3		do 6s, new.	30	
do 7s Ark Cent R R.	3		do new series.	30	32½
Connecticut 6s.	105		Virginia 6s, old.		25
Georgia 6s.	101		do 6s, new bonds, 1886.	18	
do 7s new bonds.	109		do 6s, do 1887.	18	
do 7s endorsed.	108		do 6s, consol. bonds.	75	
do 7s gold bonds.	110		do 6s, ex-mat'd coup.	50	51½
Illinois coupon 6s, 1879.	100		do 6s, do 2d series.	28	
do war loan.	100		do 6s, defer'd do.	6	
Kentucky 6s.	100		Dist. of Col. 3-6s's 1924.	86½	87
Louisiana 6s.	45		do Small Bonds.	81½	
do new bonds.			do Registered.	86½	87
do 6s new floating debt.			CITY AND COUNTY.		
do 7s penitentiary.			Brooklyn 6s.		
do 6s levee bonds.			do 6s, water loan.		
do 6s do do.			do 6s, imp'm't stock.		
do 8s do do of 1875.			do 7s, do.		
do 8s do do of 1910.			do 6s, pub. p'k loan.		
do 7s Consolidated.			do 7s, do do.		
do 7s Small Bonds.			Jersey City 6s, water loan.		
Michigan 6s 1878-1879.			do 7s, do.		
do 6s, 1883.			do 7s, improvement.		
do 7s, 1890.			Kings County 6s.		
Missouri 6s due in 1883.	109½		New York City 6s, 20-50's, 1876.		
do do in 1886.	106		do do 6s, 1877.		
do do do 1887.	107½		do do 6s, 1878.		
do do do 1888.	108		do do 6s, 1887.		
do do in 1889 or 1890.			do do G'd 6s, Con. 1902.		
Asyl or Univ'sy due 1892.	110		do do 6s, 1896.		
Fund'g bds due in 1894-5.	110		do do 6s Dock b'ds.		
Han & St. Jos. due 1888.	108		do do 6s co. b'ds.		
do do do 1887.	108½		do do 6s Cen. Park.		
New York 6s gold reg'd, 1887.			do 5s, 1890.		
do 6s do coup. 1887.			do 5s, 1898.		
do 6s do loan, 1883.			RAILROAD BONDS.		
do 6s do do 1891.			Boston, H. & E. 1st m.	55½	55½
do 6s do do 1892.			Boston, H. & E. 1st m guar.	52	53½
do 6s do do 1893.			B. Cedar Rap. & N. 1s 5s g.	88½	88½
N Carolina 6s old Jan & July.	26½	28	Chesapeake & Ohio 6s 1st mtg.		
do do Apr & Oct.	26½	28	do do ex-coupon.		
do N. C. R., Jan & July.	112½		Chicago & Alton 1st mortgage.	115	
do do Apr & Oct.	112½		do do income.	103	
do do cp off Jan & July.	92½		Joliet & Chicago 1st mortgage.		
do do cp off Apr & Oct.	92½	10	La. & Mo., 1st guaranteed.		
do funding act, 1866.	92½	10	St. L Jacksonville & Chic 1st.	111½	
do do 1868.	16½		Chic. Bur. & Qu. 8 per ct. 1st m.		
do new bonds Jan & July.	16½				

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd	SECURITIES.	Bid	Askd
Chic. Bur. & Qu. cons. M 7s			RAILROAD BONDS.		
do do 5s Sinking Fund			M. So & N. I. Sink. fd 7 p c.	108½	
Chic. R. I. & Pacific 1st M 7s.	113½	113¾	Cleve. & Tol. sink. fd.	108½	
do do 6s 1917, coupon.			Cleve. & Tol. new bonds.	116	119
do do 6s 1917, registered.	92½		Cleve. Painesv & A old bonds.		
Keokuk & Des Moines 1st 5s.			do do new do.	117	118½
Central R R of New Jersey.	117½	120	Buff. & Erie, new bonds.		
Cent. R of N. J. 1st m. new.			Buff. and State Line 7s.		
do do 1st consolidated.			Kala. & W. Pigeon 1st m.		
do do convertible.	108	111	Det. Mon & Tol 1st 7s 1906.	118	120
L. & W. B'e. con. guaranteed.	104	108	Lake Shore div. bonds.	118	120
Am' Dock & Imp. bonds.	126½	129	do con c'p 1st bds.	118	120
Chic. Mil. & St. Paul R. R.	113		do con reg 1st bds.	114	115
M. & St. P. 1st mtg 8s P. D.	111½	111¾	do con coup 2d m.	114	115
do do 2d 7 3-10 P. D.	111½	111¾	do con re'gd 2d m.	104½	
do do 1st 7s ½ gold R. D.	111½	112¼	Marletta & Cin. 1st m.	118	118½
do do 1st M. LaC. D.	111		Mich. Cent. consol. 7s 1902.	108	110
do do 1st M. I. & M. D.	108		do do 1st m. 8s '82 s f.		
do do 1st M. I. & D.	108		do do equipment bds.		
do do 1st M. H. & D.	113	115	New Jersey So. 1st m. 7s.		
do do 1st M. C. & M.	107¾	108	do do consol 7s.		
do do consolidated s f.	110½	112½	N. Y. Cent. 6s, 1883.	104½	
do do 2d mortgage.	108½	107½	do do 6s, 1887.	103	
Chic. & N. W. sinking fund.	110		do do 6s, real estate.	103	
do do int. bonds.	115	115½	do do 6s, subscription.	123	
do do cons. bonds.	115		do do & Hud 1st m c.	123½	125
do do exten. bonds.	110		do do do 1st m reg.	109	110
do do 1st mortgage.	115	115½	Hud. Riv. 7s 2d ms f 1885.	128	
do do coup gd bonds.	115		Harlem 1st m 7s coupon.	125½	
do do reg'd do.			do do do reg'd.		
Iowa Midland 1st m. 8s.			North Missouri, 1st mort.	110	111½
Galena & Chicago extension.			Ohio & Miss cons s f.	110½	111
Peninsula 1st m. conv.			do do consolidated.	109	108¾
Chicago & Mil. 1st m.			do do 2d do.	68½	69
Winona & St. P. 1st mort.			do do 1st Springfield div.		
do do 2d mort.	117		Pacific R R bonds.	108¾	109
C. C. C. & Ind's 1st m. 7s s. f.	106¾	107	Cent Pacific gold bonds.	101½	102
do do consol. M. bonds.	104		do San Joaquin branch.	100	
Del., Lack. & W. 2d m.	124	127	do Cal & Oregon 1st.	104½	105½
do do 7s conv.	113		do State aid bonds.	103½	103¾
Morris & Essex 1st mort.	100		do land grant bonds.	113½	113¾
do do 2d do.	112½	108	do sinking fund.	106½	106¾
do do bonds, 1900.	107½	105	Western Pacific bonds.		
do do constr'n.	105	105½	Union Pacific 1st m bds.	115½	115¾
do do 7s of 1871.	104½		do do land grants, 7s.	115½	115¾
do do 1s con. gd.	104		do do sinking fund.	106½	106¾
Del. & Hud. Can. 1s m. 1884.	114	114	Pacific R of Mo. 1st m.		
do do Coup. 7s 1894.	114		do do 2d m.	123	125
do do Reg'd 7s 1894.	114		Pennsylvania R R.		
Albany & Susq. 1st m'ge.	108	125	Pitts. Ft W & C 1st m.	119½	
do do 2d do.			do do 2d m.	118	
do do 3d do.			do do 3d m.	108	
do do 1st c gua'd.			Cleve & Pitts cons s f.	46	51
Rens'r & Sara. 1st reg'd.			do do 4th do.	80½	80¾
Erie 1st mort. extended.	121½	121	Col. Chic & Ind 1st m.	115	115½
do 1st do endorsed.	104	104½	do do 2d m.	89	90
do 2d do 7s, 1879.	106½		Rome, Water'n & Og con l.		
do 3d do 7s, 1883.	102		St. L. & Iron M 1st m.		
do 4th do 7s, 1880.	111	112½	do do 2d m.		
do 5th do 7s, 1888.	115½	115¾	St. L. Alton & Terre Haute.	109	
do 7s cons. m'ge gd bds.	114		do do 2d do pref.		
Long Dock Bonds.	115½	117	Alton & Terre Haute 1st m.		
B., N. Y., & E. 1st m 1916.	108½		do do 2d do inc.		
Han. & St. J. 8s convertible m.			Bell & S. Ill R. 1st m 8s.		
Illinois Central.			Tol, Peo & War, 1st E D.		
Dub. & Sioux City 1st m.	103	105	do do do W D.		
do do 2d div.			do do do Burl div.	65	
Cedar Falls & Minn. 1st m.			do do do 2d m.		
Indp's Bloomn & W'n 1st m.	112	115	do do do consol 7s.		
do do 2d m.	58	60	Toledo, Wabash & Western.		
Lake Shore Bonds.			Tol & Wab 1st m ex.	109½	
			do do Ex coupon.	105½	
			do do 1st m St L div.		
			do do Ex mat'd coup.		

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid	Askd
Tol & Wab 2d m.....	100 $\frac{1}{4}$	101	Kal, Alleghen & G R 8s gr.....	105	.....
do Ex & Nov 77 coup.....	.....	.....	Kal & White Pigeon 7s.....	100	.....
do equipment bonds.....	.....	.....	Kansas City & Cameron 10s.....	112	116
do cons conv'ble.....	97 $\frac{3}{4}$	97 $\frac{3}{4}$	Kan Pac 7s ex Ma & No g.....	101 $\frac{3}{4}$	102
do Ex Aug 78 & priv's.....	.....	.....	do 7s land gr Ja & Jy g.....	122	124
Gt West'n 1st m 1888.....	110	111	Kan Pac 7s do 2d m.....	105 $\frac{1}{2}$	107
do Ex coupon.....	.....	.....	do 6s gold June & Dec.....	111	111 $\frac{1}{2}$
do 2d m 1893.....	100	100 $\frac{1}{2}$	do 6s do Feb & Aug.....	117	119
do Ex & Nov 77 coup.....	.....	.....	do 7s Leaven Branch.....	98	100
Quincy & Tol 1st m, 1890.....	100 $\frac{1}{2}$	103	do Income No 11.....	70	77
do Ex M & Nov 77 c p.....	.....	.....	do do No 16.....	73	76
Illinois & S Iowa 1st m.....	100	.....	do stock.....	87 $\frac{1}{2}$	89
do Ex coupon.....	.....	.....	Michigan Air Line 8s.....	.....	.....
Han & Cent Mo 1st m.....	.....	.....	Mil & North 1st m 8s.....	65	70
Pekin, Inc'n & Decat'r 1st m.....	.....	.....	Mo. Kan & Tex assent'd bds.....	.....	.....
West'n Un bds, 1900, c'pon.....	114	.....	do 2d inc.....	.....	.....
do do do reg.....	114 $\frac{1}{2}$	.....	N. J. Midland 1st 7s gold.....	70	71
MISCELLANEOUS LIST.			N. Y. & N. J. 7s, con. gold.....	9	12 $\frac{1}{2}$
Arkansas Levee 7s.....	2 $\frac{1}{2}$	6	N. Y. & Osw Mid 1st 7s gold.....	30	32
Atchison & P Pk 6s gold.....	.....	.....	Omaha & S West'n R R 8s.....	113	115
Atchison, Top & S Fe 7s, g.....	112 $\frac{3}{4}$	113 $\frac{3}{4}$	Oregon & Cal 7s gold.....	28	30
Cairo & Fulton 1st 7s.....	101 $\frac{1}{4}$	102	Oswego & Rome 7s guar.....	100	110
California & Oregon 6s g'd.....	100	101	Ott, Oswego & Fox R V 8s.....	.....	.....
California Pac R R 7s gold.....	105	110	Pitts, Cin & St Louis 1st 7s.....	111	112
do 6s 2d m gold.....	100	105	Pt Huron & L M 7s g end.....	30	.....
Central Pac 7s gold, conv.....	105 $\frac{1}{2}$	108	Quincy & Warsaw 8s.....	.....	.....
do land grant.....	104 $\frac{1}{2}$	105	Rome, W & Ogdensburg 7s.....	60	60 $\frac{1}{2}$
Cent of Iowa 1st M 7s gold.....	108	109	Sand, Mans & Newark 7s.....	105	107
Chi & Southwestern R R 8s.....	110	115	Sioux City & Pacific 6s.....	.....	.....
Chi & Eastern Ill. 1st 6s.....	94	95	South Side (L I) 7s.....	90	100
do do Income 7s.....	60	65	Southern Central N Y 7s.....	60	80
Chi & Mich Lake Shore 8s.....	.....	.....	Staubenville & Indiana 6s.....	101	104
Chi & Can South 1st m'g 7s.....	60	65	Southern Minn construo 8s.....	109	115
Chi, St. P. & Min 1st M 6s.....	102 $\frac{1}{2}$	103	St. Jo & C Bl 1st m 10s.....	.....	.....
do land grant 6s.....	92 $\frac{1}{2}$	93	St. Louis, Vanda & T H 1st.....	110	115
Cin, Rich & F W 1 m g's.....	80	90	do do 2d.....	95	100
Cleve, Mt V & Del 7s gold.....	.....	.....	St L & S Eastern 1st 7s gold.....	95	100
Connecticut Valley 7s gold.....	50	70	Union Pacific So br 6s gold.....	94	100
Connecticut Western 1st 7s.....	.....	.....	Union & Logansport 7s.....	82	100
Col & Hock Val 1st 7s 30 ys.....	105	110	Texas & Pacific L G 7s.....	74 $\frac{1}{2}$	75
Dan, Urb, Bl & P 1st m 7s g.....	88	89	CINCINNATI.		
Denver Pacific 7 gold.....	96 $\frac{3}{4}$	97	STATE, CO. AND CITY BONDS.		
Denvy and Rio Grande 7s g.....	.....	.....	Ohio State 6s.....	111	112
Det, Hillsdale & Ind R R 8s.....	.....	.....	Hamilton County 6s.....	100	.....
Dixon, Peoria & Han 8s.....	.....	.....	do do 7s.....	101	106
Erle & Pittsburg 1st 7s.....	100	102 $\frac{1}{2}$	City of Cincinnati 6s.....	104 $\frac{1}{2}$	106
Evans & Crawfordville 7s.....	100	105	do do 7s.....	114	.....
Evans, Hend. & Nashville 7s.....	.....	.....	do do 7-10.....	116x	117
Evansville, T & H Chic 7s g.....	85	90	City of Covington, Ky 6s '81.....	102	.....
Flint & Pere M 7s land grant.....	100	105	do do 7-10, '81.....	102	104
do 7s consol.....	57 $\frac{1}{2}$	59	RAILROAD BONDS.		
Fort W, Jackson & Sag 8s.....	.....	.....	L Miami & I & C con 6s.....	90	97 $\frac{1}{2}$
Grand River Valley 8s.....	105	110	do do 1st 6s '83.....	102	.....
G'd Rapids & Ind 1 guar 7 g.....	109	110	Cin, Ham & Day 1 m 7s '80.....	100 $\frac{1}{2}$	101
G'd Rapids & Ind 1st 7s g.....	100	102 $\frac{1}{2}$	do do 2 m 7s '85.....	105	.....
Houst. & Gt N. 1st m g's.....	94	95	do do 3 m 8s.....	.....	.....
Houst. & Tex. C. 1st M L.....	104 $\frac{1}{2}$	108	Dayton & Mich, 1 m 7s '81.....	103 $\frac{1}{2}$	104
do 1st W D.....	103	105	Dayton and Mich, 2 m 7s '84.....	105	105
do Con. 8s.....	108	110	do do 3 m 7s '88.....	100 $\frac{1}{2}$	x
Ill Grand Trunk 8s.....	113	115	Cin, Rich & Chi, 1 m 7s '96.....	92	.....
Ind, Bl & W Ext 1st m g 7s.....	.....	.....	Cin, Han & Ind 1st m gr 7s.....	83	85
Indianapolis & Mad. 1st m 7s.....	100	103	Marietta & Cin 1st m 7s '91.....	87	90
Int'national RR Tex 1 m g 7s.....	94	95	do do 2d m 7s '98.....	30	32
Ind. Bl. & W., 1st 7s, pref.....	112	115	Indianap & Cin 1st m 7s '88.....	102	.....
do 1st.....	69 $\frac{1}{4}$	70	Cin & In guar 1st m 7s '82.....	102 $\frac{1}{2}$	105
do 2ds.....	59	60	do 2d m 7s '77 '83.....	75	100
do Income.....	50	55	Indianap C & L 1st m 7s '97.....	80	.....
do stock.....	28	32	Day & W 1 m, 1881.....	100	.....
Indianapolis & Vinc's 1st 7s gr.....	105	110	do 2 m, 1905.....	87	90
Indianapolis & St. Louis 7s.....	80	.....	MISCELLANEOUS STOCKS.		
Io Falls & Sioux City 1st 7s.....	105	110	Columbus & Xenia.....	50	118
Jack. Lansing & Sag. 1st m.....	.....	115	Cin, Ham & Dayton.....	100	55
Jeff'ville, Mad & Ind 1st m 7s.....	111	.....	Dayton & Mich 3 $\frac{1}{2}$ guar.....	50	47 $\frac{1}{2}$
Kala'zoo & South H 8s guar.....	.....	.....	Little Miami.....	50	115 $\frac{1}{2}$

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Asked	SECURITIES.	Bid	Asked
Marietta & Cin 1st pref.....50	.....	5	Rich and Danv 1st con 6.....	95	98
do do 2d do.....50	.....	3	do do Piedmont 8s.....	103	.....
Cin Gas Light & Coke Co.....100	140	145	do do 1st 8s.....	.....	90
SOUTHERN SECURITIES.			Southside Va 1st m 8s.....	109	111
CITIES.			do do 2d m guar 6s.....	90	100
Atlanta, Ga 7s.....	105	107	do do 3d m 6s.....	80	90
do do 8s.....	111	114	do do 4th m 8s.....	.....	.....
Augusta, Ga 7s bonds.....	105	108	Southwest R R, Ga 1st m.....	105	110
Charleston stock, 6s.....	60	65	do do stock.....	99	102
Charleston, S. C. 7s F L bonds..	80	90	S. Caro R R, 1st m 7s, new.....	102	104
Columbia, S. C. 6s.....	40	60	S. Caro R R 6s.....	.....	.....
Columbia, Ga. 7s bonds.....	75	90	do do 7s 2d.....	57	60
Lynchburg 6s.....	100	103	Virginia and Tenn 2d 6s.....	100	103
Macon 7s bonds.....	75	90	do do 3d 8s.....	110	.....
Memphis bonds 6s.....	15	25	West Ala, 8s guar.....	108	110
do new consols.....	30	.....	Wilmington and Weldon 7s.....	108	114
do end, M & C R R.....	15	.....	PAST DUE COUPONS.		
Mobile 6s.....	15	20	Tennessee State coupons.....	10	20
do 8s.....	15	20	Virginia consol coupons.....	74	76
Montgomery 8s.....	22	27	Memphis city coupons.....	20	.....
Nashville 6s old.....	80	90	South Carolina consols.....	.....	.....
do 6s new.....	85	91	BOSTON.		
New Orleans 5s.....	29	31	STATE BONDS.		
do consol, 6s.....	29	32	Maine 6s 1880.....	113 3/4	.....
do bonds, 7s.....	27	31	N. Hampshire 6s 1870-84.....	116	.....
do to railroads 6s.....	27	31	Vermont 6s, 1874-79.....	.....	.....
Norfolk 6s.....	98	.....	Massachusetts 6s, 1883, g.....	110	.....
Petersburg 6s.....	100	102	CITY BONDS.		
Richmond 6s.....	102	105	Boston 6s, 1880-86, gold.....	102 3/4	.....
Savannah 5s.....	74	76	do 6s, currency.....	115	.....
RAILROADS.			Chic 7s, 1890-95, riv. impr.....	.....	114
Atlantic & Gul. consol.....	102	105	do 1884.....	.....	.....
Central Georgia cons, 7s.....	110	113	RAILROAD STOCKS AND BONDS.		
do do stock.....	75	80	A T and Santa Fe, 1st m 7s.....	112 1/2	113
Charlotte Col & A, 1 m 7s.....	98	100	do do L. G.....	112	112 1/2
do do stock.....	25	30	do do do stock.....	131 1/2	.....
E Tenn & Georgia 6s.....	90	100	Bost and Alb'y 6s, 75 (W RR).....	110	.....
East Tenn, Va & Geo 1st m 7s..	103	104	do do 7s, 1892.....	122	.....
do do stock.....	60	60	do do stock.....	.....	140
Georgia R R 7s.....	107	110	Boston and Lowell 7s, 1892.....	114	117
do stock.....	85	90	do do stock (par 500).....	89 1/2	.....
Greenville & Col 7s guar.....	62	67	Boston and Maine, stock.....	119	.....
do do 7s certifi.....	80	85	Boston and Providence, stock.	.....	127 1/2
Macon & Western Stock.....	102	104	Bur & Mo R 7s, '93, land grant.	.....	114
Macon & Augusta bonds.....	85	90	do do 8s, 94, conv.....	108	.....
do do endorsed.....	95	100	do do 8s, 83 (in Neb).....	100 1/2	101
Memphis & Charleston 1st 7s...	98	100	Chicago, Bur and Quincy.....	140 1/2	140 1/2
do do 2d 7s.....	90	92	Bur & Mo Riv stock (in Neb)...	138	.....
do do stock.....	15	17	Cheshire 6s, 1896.....	103	105
Mississippi Central 1st m 7s.....	101	104	do preferred stock.....	.....	52 1/4
do do 2d m 8s.....	106	110	Cin, San, and Cleve, 7s, 1890.....	78	.....
Mississippi & Tenn 1 m.....	115	117	do do com stk (par 50).....	18 1/2	.....
do do cons, 8s.....	92	96	Concord stock (par 50).....	.....	.....
Mo'ty and West P, 1st 8s.....	107	108	Conn and Pass Rivs 6s, 1876.....	103	.....
do do 1st end.....	.....	.....	do do 7s, '76, notes.....	.....	.....
Mobile and Ohio Sterling.....	80	.....	do do pref. stock.....	.....	.....
do do do ex cts.....	80	.....	Connecticut River, stock.....	138	.....
do do 8s interest.....	27	35	Eastern stock.....	.....	.....
N Orleans and Jackson 1st m.....	110	112	Fitchburg, stock.....	123	.....
do do 2d m.....	105	110	Manch and Lawrence stock.....	140	.....
Nash and Chattanooga 6s.....	100	102	Nashua and Lowell, stock.....	.....	112
Norfolk and Petersb 1st m 8s...	106	108	Northern (N. H.) stock.....	84	.....
do do 2d do.....	102	104	Norwich and Worcester stock.	.....	.....
Northeastern, S C, 1st m 7s.....	105	110	Ogdenburg and L Champ stock.....	26 1/2	27
do do 2d do.....	84	90	do do pref stock.....	65	68
Orange and Alex 1st 6s.....	99	102	Old Colony stock.....	110 1/4	110 1/4
do do 2d 6s.....	84	90	Phil. Wil & Balt stock (par 50).	67	69
do do 3d 8s.....	83	90	Portl, Saco & Portsmouth st's	104	.....
do do 4th 8s.....	.....	.....	Portsmouth, Gt F & Con'y s.....	.....	.....
Rich and Peters' 1st m 7s.....	.....	.....	Rutland pref. stock.....	27 1/2	28
do do 2d m 6s.....	.....	.....	Vermont and Canada stock.....	17 1/2	.....
do do 3d m 8s.....	102 1/2	105	Vt. Ct. 1st m 7s, 1886 cons.....	105 1/2	105 1/2
Rich and Fred'b and Pot 6s.....	97	100	do do 8s, '91.....	.....	116 1/2
do do do con 7s.....	97	102			

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid.	Askd
Vermont and Mass. ....	.....	.....	West Penn 6s, coup, 1893.....	102½	.....
do do stock.....	.....	116½	do 6s. p b c, 1896.....	103	.....
Worcester and Nashua.....	54	56			
MISCELLANEOUS STOCKS.			CANAL BONDS.		
Boston Land Co.....	9¼	9¾	Lehigh Nav. m 6s, r 1884.....	105	107
Boston Water Power.....	11½	11¼	do M. R. R. r, 1897.....	110	.....
Pullman Palace Car.....	107½	108	do M conv g. r. 1894.....	105	.....
			do M. gold, r. c, 1897.....	103	103½
			do cons m 7s r, 1911.....	101	101½
			Schuyl. Nav. 1st m 6s, reg 1897.....	.....	103
			do 2d do r. 1907.....	82	83
			do m 6s, coup, 1895.....	75	.....
			do 6s, bt&car r 1913.....	70	.....
			do 7s, bt&car r 1915.....	80	.....
PHILADELPHIA.			RAILROAD STOCK.		
STATE AND CITY BONDS.			Camden & Atlantic pref....	50	35½
Penn. 5s, new, reg, '92 1902.	109½	.....	Catawissa.....	50	16
do 6s, 10-15, reg, '77 1882.	103	.....	do pref.....	50	49
do 6s, 15-25, reg, '82 1892.....	109	110	do new pref.....	50	47½
Philadelphia 6s, old.....	104	.....	Elmira & Williamsport.....	50	33
do 6s, new, over 1895.....	119½	120	do pref.....	50	50
Pittsburg 6s, reg, 1913.....	95	.....	Lehigh Valley.....	50	52½
do 7s, water loan.....	118	.....	Little Schuylkill.....	50	52
do 7s, street improv.....	116	.....	Minehill.....	.....	56
			Nesquehoning Valley.....	53	53½
			Norristown.....	50	102
RAILROAD BONDS.			Northern Pacific.....	32½	32¾
Allegheny V R R 7 3-10, '96.....	115	.....	do pref.....	50½	57¼
Bel & Del R R, 1st m 6s, 1902.....	108	.....	North Pennsylvania.....	50	51½
do 2d do '85.....	106	.....	Pennsylvania.....	50	50¾
do 3d do '87.....	103½	104	Philadelphia & Reading.....	50	35¾
Cam & Amboy R R 6s, 1883.....	106	.....	Pitts. Titus. & Buffalo.....	11¼	11¾
do do do 6s, 1889.....	104½	.....	St. Paul & Duluth.....	.....	31½
do do do m 6s, 1889.....	111	.....	do pref.....	100	152¾
Cam & A. T. 1st m 7s, gold, 1893.....	120	.....		
do do 2d do cur, 1879.....	102¾	103	CANAL STOCKS.		
Cataw R R new 7s, 1900.....	114¼	.....	Lehigh Navigation.....	50	37½
Connecting R R 6s, cp. 1900.....	108	.....	Morris Canal grd 4 p c.....	100	38
Del & B B R 1st m. 7s, 1905.....	114	.....	do preferred 10 p c.....	100	.....
El. & Wmsp't R R, 1 m, 7s, '80.....	111	.....	Schuylkill Navigation.....	.....	.....
do do 5s c. perpe'l.....	85	88	do do pref.....	.....	.....
H. & B. T. 2d m 7s, gld 1895.....	107	110			
do 3d do cur. 1895.....	.....	.....	BALTIMORE.		
Lehigh Valley, 1st m, 6s, c, '98.....	114	115	Maryland 6s, defence, J. & J....	106	.....
do do reg '98.....	113½	.....	Virginia 10-40s. J. & J.....	37	37½
do 2d m, 7s, reg 1910.....	123¾	.....	do deferred, J. & J.....	6	.....
do cons. m, 6s reg, 1923.....	110	110½	do consol. do.....	50	50½
do do 6s, coup. 1923.....	.....	109½	do do 2ds do.....	28	28¾
N Cent. 2d gd. m. 5s, cp'n 1926.....	75½	.....	do consol coup, p due.....	74½	75
North Penn, 1st m 6s, c. 1885.....	107½	.....	do do June 1889.....	26	28
do 2d m 7s, c. 1896.....	116	117	N. Carolina 6s, Jan. & J., old... 28	31½	36
do gen. m 7s, c. 1906.....	112½	114½	Tennessee '6s, do old.....	25	.....
do do reg. 1906.....	117½	.....	do 6s, do new.....	35	.....
Oil Creek 1st m 7s, coup '82.....	92	93½	do do 6s, do n. s.....	125	125½
Pitts'h Titus & Buff 7s, c. 1896.....	50	55	Balt. 6s, J., A., J., O., 1890.....	112½	112½
P & N Y C. & H. R. 7s, r&c 1896.....	118	.....	do 6s, J. & J., 1902.....	115	116
Penna. 1st mort 6s, c, 1880.....	101¾	114¾	do 5s, M. & N., ex., 1916.....	109	109½
do gen do 6s, c, 1910.....	113½	117½	Memphis City 6s, J. & J., n.....	100	100½
do do do 6s reg 1910.....	116½	.....	Balt. & Ohio, May & N.....	100	152½
do cons m, 6s reg. 1905.....	110½	.....	do 1st preferred.....	111	112
Phila & Erie 1st mort 6s c 1881.....	103	.....	do 2d do.....	104½	105
do 2d mort 7s, c 1888.....	112	113	Northern Central, M. & N.....	50	33
Phila & Reading 1st m 6s, 1880.....	103	.....	Central Ohio, June & Dec.....	37	39
do 2d m 7s, c 1893.....	115	.....	do preferred.....	45	50
do cons m 7s c 1911.....	112	113	C. y Passenger R'y, J. & J.....	25	38½
do do m 7s r 1911.....	112	.....		
do do 6s, g r & c 1911.....	.....	.....	
Pitts. Cinn. & St. L 7s c 1900.....	111	112			
Tex & Pac 1st m, 6s, g 1905.....	103	103½			
do cons m, 6s, g 1905.....	89	90			
Un & Titus 1st m, 7s, 1890.....	74	77			
War. & F. 1st mort. 7s, c 1896.....	95½	96			
West Jersey 6s, d coup 1883.....	103	.....		
West Jersey 1st mort 6s, c 1896.....	103	.....		
do do 7s, r & c '99.....	115	.....		

STOCK AND BOND QUOTATIONS.

SECURITIES.		Bid.	Asked	SECURITIES.		Bid	Asked
Balt. & Ohio 6s, 1880, J. & J.....	100	100	100	Louisville Bridge Co. 7s.....	*112	113	
do 1885, A. & O.....	107½	108½	108½	RAILROAD BONDS.			
Pitts. & C. 1st 7s, 1898, J. & J.....	110	112½	112½	Greensbury Branch.....	*102		
N. Cent. 6s, 1885, J. & J.....	108			Louis. and Nash. Leb. Br.....	*101	102	
do 6s, 1900, A. & O.....	108	115	115	Louis. and Nash. Cons.....	*112½		
do 6s, gold, 1900, J. & J.....	104½	105	105	L. and N. 2d mort.....	*102	*103	
Cen. O. 6s, 1st m., 1890, M. & S.....	107			Louis., Cin. and Lex. 1 m 7s.....	*111		
South Side, 1st 8s, J. & J.....	105			do do 2 m 7s.....	*102	103	
do 2d 6s, do.....	90			Jefferson. M. and I. 1st m 7s.....	*112	113	
do 3d 6s, do.....	89			do do 2d m 7s.....	*102	*103	
Cin. & Baltimore 1st 7s.....	100	110	110	Eliz. and Paduc. 1st m. 8s.....			
W. M. 1st m 6s gu. 1890, J. & J.....	113	116	116	E. and P. Louisville Br ch 7s.....			
do 1890, J. & J.....	103	108	108	Shelby, 1st mortgage 8s.....			
W. Maryland 2d m (pref).....	85	95	95	Owensboro and Russel, 1 m 8s.....	101	102	
W. M. 2d m. 6s gu. by W. Co.....	103			MISCELLANEOUS BONDS.			
M. & Cin. 1st m 7s F and A 1892	104½	105	105	Kentuc. State bonds (old) 6s.....	*105		
do 2d m 7s M. and N.....	72½	73	73	do do (new) 6s.....	*105		
M. & Cin. 3d m 8s 1900 J. and J.....	40	40½	40½	New Albany City.....	*105	105½	
Rich. & Dan. 1st m. M. and N.....				Water Works bonds, 6s.....	*107	108	
Union R. R., End. Cant. Co.....	107	108½	108½	Louisville Transfer Co. 8s.....	*103		
Canton Co., 1st 6, gold, J. and J.....	105	105½	105½	STOCKS.			
Orange, Alex. and Mn's 7s do.....	74	75½	75½	Louisville and Nashville R. R.....	87	88	
Orange & A. 1st 6s, M. and N.....	100			Gas Company stock.....	107	108	
do 2d 6s, J. and J.....	100			Louisville Bridge Co. stock.....	112½		
do 3d 8s, M. and N.....	70						
do 4th 8s, M. and N.....	38½	40	40	ST. LOUIS.			
Virginia & Tenn 6s 2d J. and J.....	100			CITY AND COUNTY BONDS.			
do 8s, J. and J.....	112			City water (ls. '87) 6s gold.....	*105	106½	
W. & W. 7s gold 1900 J. and J.....	110			City water (ls. '70) 6s gold.....	*106½	106½	
W. and Columbia and Aug. 7s.....	40	46	46	City water (ls. '72) 6s gold.....	*106½	107	
Ohio & Miss, 2d 7s, A & O.....	109	110	110	City sewer (ls. '73) 6s gold.....	*106½	107	
Balt. Gas, J. and Dec.....	100			City park 6s gold.....	*106½	107	
do gold cert.....	100	100½	100½	City bdg approach 6s gold.....	*105½	107	
People's Gas, J. and J.....	25	13½	13½	City 6s Currency.....	*104		
Consumer's Gas.....	4½	4½	4½	County 6s, gold various.....	*105½		
do gold 6s, J. & J. 1892.....	99	101	101	County 6s, gold of 1892.....	*105½		
Georges Creek Coal, J. & J.....	95	100	100	do do 1893.....	*105½		
Chesapeake and O. Canal bonds	25	50	50	County 7s, Currency.....	*104	106	
Balt. Warehouse Co, J. & J.....	19	20	20				
Cincinnati 7-30s, J. and J.....				RAILROAD BONDS			
Norfolk Water, 8s.....	116			At. & Pac. 1st Cent. div.....			
				Denver Pacific and Telegraph.....			
LOUISVILLE.				Kan. Pac. 1st m. F. and A.....	116	117	
CITY AND CANAL BONDS.				do 1st m. J. and D.....	110	111	
City Improvement 6s.....	*103			do 1st m. (Lea. br.).....			
do bounty 6s.....	*103			do income No. 11.....	72		
do school 6s.....	*103			do income No. 16.....	73		
do wharf (old) 6s.....	*103			do (Den. ext.) 1 m.....			
do do (new) 6s.....	*103			Kan. Pac., 1st m. L. G. 7s.....	120	122	
do water works (old) 6s.....	*103			Missouri Pacific 1st mort.....	108	107	
do do (new) 6s.....	*103			do do 2d do.....	107		
do L. and N. R. R. (M. S.) 6s.....	*103			North Missouri, 1st mort.....	112		
do L. and N. R. R. (L. E.) 6s.....	*103			RAILROAD STOCKS.			
do E. and P. R. R. 7s (old).....	*106	*107	107	St. Louis & San Francisco.....	40½		
do E. and P. R. R. 7s (new).....	*107	108	108	do do pref.....	60		
do old liabilities due 1880.....	*101			do do 1st do.....			
do St. Louis A. L. R. R.....	*102	*103	103	Kansas Pacific.....	89		
Canal bonds, 3d issue, 6s.....	*102	*103	103	Pacific of Missouri.....			
do 4th issue, 6s.....	*106	*107	107	St. L. Kan. C. and Nort. pref..			
				do do common.....			

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EXPIRATION OF NATIONAL BANK CHARTERS.

The approach of the time when the charters of some National Banks will expire by limitation, naturally has caused some inquiry as to the effect which will be produced. Many who were opposed to the National Banking system were, until within a few months, under the belief that the system itself would cease by limitation in twenty years from the date of the act by which it was created. The original act of February 25, 1863, did contain such a provision, section 11 providing that each National Bank should have succession for the period limited in its articles of association, not, however, exceeding twenty years from the date of the passage of this act. The law of 1863 was repealed by the act of June 3, 1864, section 8 of which provided that each National Bank should have succession for twenty years from the date of its organization. It was, however, provided that the repeal of the act of 1863 should not affect the organization of any associations already organized, or in process of organization. Four hundred and fifty-two banks were formed under the earlier act, and where earlier dates are not specified in their articles of association, the charters of these banks expire on February 25, 1883. In some cases earlier dates were so specified, and the charters of these banks commence to expire in May, 1882.

The charters of the associations formed under the act of 1864 begin to expire in 1884, and continue to expire as twenty years elapse from the date of each separate organization.

If an act were passed now, prohibiting the further organization of National banking associations, it is obvious that the system would continue in operation as represented by banks recently formed, until twenty years from the present month, or until May 1900.

In this connection it is of interest to consider the effect of the passage of such a law. As the earlier organized banks dropped out, the remaining charters would acquire additional value, and there would be a tendency to accumulate capital under them, and the privilege of

issuing circulation would again assume the form of a monopoly, which is so often erroneously charged against the present system of free national banking. The uncertainty of future legislation is so great, that a future Congress might, by increasing the privileges of the few remaining charters, and permitting changes of location, create a close corporation, possessing all the real and fancied power for evil of the old Bank of the United States.

Unless such a bill is passed the National system of free banking may enjoy a perpetual existence. And this not only by the constant creation of new banks, but by the reorganization of those whose charters expire. As the law now stands National Banks may liquidate upon the expiration of their charters, or at any time just before such expiration, and may reorganize as a new national institution.

In this view the question of liquidation becomes an important one. The incorporation of a National Bank can only terminate by expiration of its charter, by forfeiture* of its charter, or by voluntary liquidation. The expression voluntary liquidation is used to distinguish a liquidation of its affairs ensuing upon action taken by its stockholders, from one ensuing upon the forfeiture of its charter, or upon the expiration of its charter. There is still another form of liquidation which takes place upon the appointment of a receiver in case of insolvency, where there is neither forfeiture nor expiration of charter by limit, or by voluntary consent of stockholders. This liquidation by a receiver appears exceptional, as the charter may still continue to run. It is a partial liquidation only, by which depositors and other creditors are paid, but not stockholders. After all the creditors of an insolvent bank are satisfied by the receiver, the stockholders can take the remaining assets out of his hands, under the act of June 30, 1876. Although such a case has never occurred, it is very possible that if during the incumbency of the receiver the charter of the insolvent bank had not been forfeited, or had not expired by limitation, the stockholders could again revive the bank by making good its impaired capital.

A voluntary liquidation of a solvent bank resolved upon by the vote of stockholders holding two-thirds of its stock, surrenders its charter from the date of the vote. The law allows a bank so liquidating, six months within which to retire its outstanding circulation and to withdraw its bonds. There is, however, no provision whatever in reference to the time within which a bank whose charter expires by limitation must retire its circulation. Unless some additional law is passed, banks whose charters expire can continue to reap the benefit of a portion of their outstanding circulation for an indefinite period, until such time as the last note comes in, in due course of redemption.

* See case decided in Supreme Court of United States, *Bank of Bethel vs. Panquoque Bank*, 14 Wall., p. 383.

The amount of bonds which, under the act of June 20, 1874, it has heretofore been held necessary to deposit with the Treasurer of the United States, before the completion of the organization of a National Bank, is not more than \$50,000. Under this view a bank whose charter has expired, can by the deposit of legal-tender notes, retire \$45,000 of its circulation, and release \$50,000 of its bonds. These can be re-deposited in the name of a new organization. While the old bank is in process of liquidation it can as rapidly or as slowly as it sees fit, transfer its remaining capital and bonds to the ostensibly new institution. Therefore it is plain that under the present law there is nothing to prevent the virtual securing of a new charter, although the process will doubtless subject the banks whose charters expire and which desire to continue as National Banks to some inconvenience, and perhaps to some interruption of their business.

It will therefore, be better for Congress to pass a law enabling all National Banks on expiration of their charters to obtain a renewal of the same, if their affairs upon examination prove to be in a condition satisfactory to the Comptroller of the Currency. Such a law authorizing a renewal of charter without the necessity of going through the form of creating a new bank, will be in accordance with the spirit of legislation which has so far created and sustained the National Banking system.

New Construction Placed by the Treasurer of the United States on the Act of June 20, 1874.

Sections 16 and 26 of the National Banking Act provided for the retirement of circulation when presented in sums of not less than \$900, and the surrender to the bank of the bonds deposited to secure the same, provided that such bonds on deposit with the U. S. Treasurer were not reduced below one-third of the capital stock of the bank making the withdrawal. The act of June 20, 1874, section 4, permits the retirement of circulation and the withdrawal of bonds by the deposit of legal-tender notes, provided that the bonds remaining on deposit in the case of the bank making the withdrawal, are not reduced below \$50,000. It has always been supposed that this later act repealed the older provision requiring the bonds on deposit to be kept equal to one-third of the capital stock, except in the case of banks one-third of whose capital stock was less than \$50,000. Since the passage of the act of June 20, 1874, this construction has invariably been acted upon both by the Comptroller of the Currency and by the Treasurer of the United States, and it has greatly facilitated a contraction and expansion of National Bank currency in accordance with the necessities of business. All banks without regard to the amount of their capital have been permitted whenever they desired, to reduce their bonds on deposit to \$50,000, by providing for the retirement of their outstanding circulation in excess of \$45,000 by a deposit of legal-tender notes; and banks

one-third of whose capital stock was less than \$50,000, have been permitted in the same way to reduce their bonds on deposit to an amount equal to such one-third of their capital.

The Treasurer of the United States has, however, recently taken the view that the provision fixing the limit of withdrawal of bonds at one-third of the capital was not repealed by the act of June 20, 1874, and that the proviso in section 4 of such act, applies only in cases where a withdrawal of bonds down to an amount equal to one-third of the capital would otherwise leave less than \$50,000 on deposit. This construction is contrary to both his previous practice in permitting the withdrawal of bonds, and to that of his predecessors in office, either Spinner, New, or Wyman. The Comptroller of the Currency holds to the construction of the act established by precedent, and the question has now in all its phases been presented to the Attorney-General for decision. This is not the first time the latter officer has had the construction of this act brought before him for his opinion. In July 1874, he rendered a decision upon it, which, although mainly on other points, was on this point in accordance with the construction heretofore adopted in practice.

The Treasurer appears to have overlooked the fact that the main object of the act of June 20, 1874, passed as it was while the aggregate limit of circulation was fixed at \$354,000,000, was intended to facilitate a re-distribution of the currency—to enable it to be withdrawn from banks located in States having more than their proportion, and given to banks in States having less.

Section 4 of this act was intended to facilitate voluntary surrender of circulation, and section 7 to compel the surrender. The latter section obliged the Comptroller to withdraw circulation from banks having over certain amounts, and in making such withdrawal the reduction of bonds on deposit, in the case of certain banks from which the withdrawal was to be made, to an amount less than one-third of their capital was inevitable. The voluntary retirement under section 4 was, however, so great that there was at all times sufficient circulation on hand to meet all calls for it. He therefore, before enforcing section 7, laid the facts before the Attorney-General, and asked whether he was obliged to enforce that section. The decision was in the affirmative. The passage of the free banking act of January 1875, obviated the necessity of enforcing section 7 of the act of 1874.

A decision in favor of the view taken by the Treasurer will necessitate the re-deposit of a large amount of bonds which have been withdrawn by National Banks.

The only thing that can on general grounds be said in favor of the Treasurer's view is that one object in creating the National Banking system was to afford a market for the securities of the United States. The construction of the Treasurer somewhat increases the amount which the National Banks will require to carry on their business.

This consideration doubtless at one time would have had weight, but the constant decrease in the debt of the United States, and the great private demand for United States bonds, obviates the necessity of straining the construction of a law in order to compel National Banks to hold them—more particularly, as the privilege of issuing circulation has, under some circumstances, become unprofitable to the banks.

SCHOOL SAVINGS BANKS IN HUNGARY.

The possession of national economical habits is about to become one of the great factors of individual and national success in the great industrial competition of the future. Some races are lamentably deficient in this preliminary requisite, and certainly there can be no better, as there is no other, school for teaching the young generation habits of thrift and industry than by making the inculcation of those principles a part of the daily instruction, and by putting in practice and encouraging them by the system of School Savings Banks.

Much of the commerce and trade of Hungary has fallen into the hands of foreign races, simply owing to the want of economy and business aptitude among the Magyars. The estates of the native nobles are gradually becoming the property of Hebrew bankers, while Germans are ousting the farmer and small trader. We thus see that the very existence of a people is, in these modern days, dependent on the capacity of saving and moral control.

A report which has just been presented to the Hungarian Minister of the Interior on the working of School Savings Banks is very interesting. The school teachers seem to recognize the patriotic and moral purpose of the institution; and although much opposition has been developed among a nation proverbial for its improvidence, among both "high and low degree," yet the success of the school banks in some districts has been very great. We find a *resume* of the teachers' reports in the "Pesth Lloyd," and it cannot fail to be interesting to all defenders and advocates of the really most practical method of meeting the advancing tide of socialism, intemperance, and extravagant living.

The Evangelical teacher at Czegled has sixty-six pupils, every one of whom is in the habit of depositing. He has been amply repaid for the slight amount of trouble required in conducting the bank by the higher moral tone of the families of his pupils. They belong almost exclusively to the class of mechanics and day laborers, and had been hitherto averse to saving money. One of them, who was even an opponent of the bank, and a drinker, became at once a somewhat changed man, when he saw his son saving a few pence, and his paternal feelings seemed to take a new growth, and find another expression in adding to his child's savings.

At Kaschau there are ninety-one scholars in the *Real* (Commercial) School. The director, Dr. Latz, thinks that the institution might be more successful were it not for the want of saving habits among the Hungarians; but he trusts that great changes for the better will be effected by the means of the School Savings Banks.

The lady who conducts the bank at Kun-Szent-Miklos reports that although the bank was only introduced in December, 1878, yet the seeds of economical habits have already been sown among the children of the peasant class, and the money once spent in sweets and fruits is now deposited in the bank, and forms a source of gratification to them.

The teacher at Leutschau writes: "An experience of four years has fully convinced me of the advantages conferred by the institution. Not a single instance of the abuses prophesied has occurred. I have heard of no money having been stolen or embezzled, nor have any jealous feelings been evoked among my pupils, on account of greater or lesser savings. On the other hand I have observed that my pupils have become more orderly in their behavior, and have renounced many evil habits."

A case from Lovass-Patona is interesting, and is told by the teacher at that place. One of his pupils (an apprentice) was a depositor in the School Bank. He fell ill, and surrounded as he was by friends as poor as himself, his last moments were lightened by his being able to assure the kind but impecunious people that his burial would not cost them anything. The money he had saved for other days was sufficient to provide a decent interment. The teacher adopted the rule of posting copies, on the opening of the schools, of the rules of the bank. The school library was open at the same time as the bank—on Saturday afternoons and evenings.

The School Bank at Simegh-Mihalyfa has been in operation during five years. No stealing or other vices were observed. The teacher, however, very pertinently remarks: "The bank must not be forced forward; the pupils must not be unduly excited." He states that young girls of the better classes were even encouraged to save, and began experiments in gardening and care of poultry, which enabled them to become depositors. One of his pupils saved so much money that he became a partner of his father—a small tradesman.

The Bill of Exchange in Ancient Times.

[Translated for RHODES' JOURNAL OF BANKING.]

Many persons must often have wondered whether the bill of exchange was known in ancient times. We know that the commercial enterprise of Tyre, Carthage, Syracuse and Alexandria, was such that the bill of exchange must have been a sort of necessity. It has been proved that the bill of exchange existed even in Assyria, and that it was known in Athens, and probably in Rome. The trapezites, or bankers, in Athens made transfers of money, and used both bills of exchange (*Kollubistika Sumboila*) and letters of credit (*Sustatika Epistola*). It is unnecessary to enter into a philological discussion here, but the opinion that prevails is, that the bill of exchange in our sense, was not known to the Greeks, but that the letter of credit or check was in frequent use. Demus, going out as commander of a galley to the island of Cyprus, visited Aristophanes, who lent him money on a *symbolon* of the king of Persia. In an act by which the Athenians entered into an alliance with the king of Sidon, (400 B. C.) there is a mention of a *symbolon* which would serve as a letter of introduction or credit for both parties. Various memoirs on the subject have been read before various learned societies in Athens, St. Petersburg, Paris, &c. The Athenians, it may be mentioned, were acquainted with draft, interest account, bank deposit, negotiation of securities, &c.

The bill of exchange, like all inventions of mankind, is a thing of successive improvements. If we consider the bill of exchange as involving four agencies: 1. An exchange of credits between the drawer and drawee; 2. The transmission by endorsement of proprietorship in the letter of exchange; 3. The solidarity, or common responsibility of the endorsers and the drawer; 4. The legal sanction given by the Courts to this obligation. In this latter combination, bills of exchange date several centuries posterior to 1184 A. D., but, if letters of credit are to be considered bills of exchange, then the origin of the latter dates from remote antiquity.

The discoveries made in deciphering the Assyrian inscriptions, prove that the bills were in use as far back as the 12th century before our era. These letters were of clay, and of a quadrilateral form, exactly like those of toilet soap. The inscription was written in the soft clay, which was then baked in an oven.

Here is a sample of one of the simplest:

- (1.) Four minas of Silver at the weight of Karkemish.
(credit) of Nergalsurusfur,
on Nabuzikirridin, Son of Nabulramnapish
of Dur-Larkin
at 5 Shekels of Silver monthly interest
The 26th ahr, eponymia of Gabbar (667 B. C.)

[Follow the names of the witnesses.]

* * * * *

(2.) Two talents of copper
 (credit) of Mannu-Ki-Arbail
 on Samasakheisallim
 The latter will pay in the month of Ab
 (last day of month understood)
 In case of non-payment
 by a third
 (the debt) will increase
 The 11th Sivan, eponymia of Bauba (676 B. C.)

[Names of witnesses.]

* * * * *

The following is guaranteed by a credit on a third, against whom recourse may be had in case of non-payment:

(3.) Seven Shekels of Silver
 (credit) of Mardukabalussar, Son of Mitia
 on Tardukabalussar, Son of Segua,
 who (has a credit) on Rimut-Nabre, Son of Metia
 Mardukatalussar (II) will pay in Month of Jouz
 Seven Shekels of Silver
 moreover three days work for the interest
 In case of non-payment by him,
 the credit will have to be paid
 by Nabuakhidin and Rimut-Nabu (the guarantee)
 who must pay in common
 Orchoe, the 22nd Adar
 The 2nd year of Cyrus, King of Babylon

[Many witnesses.]

* * * * *

The following approaches even more to our bill of exchange:

(4.) Four minas, fifteen Shekels of Silver
 (credit of Ardu-Vana, Son of Yakin
 on Mardukabalussar, Son of Mardukabalatirib
 in the City of Orchoe
 Mardubalatirib will pay
 in the month of tebet
 four minas fifteen Shekels of Silver
 to Belahaliddin, Son of Suinald
 Our, the 14th Araksamina
 The second year of Nabonide
 King of Babylon

[Signature.]

* * *

This letter is at 76 days sight, and contains all the essential conditions. Neither must we forget the letter of credit which was given to Tobias, and which he had cashed at Rages *by the archangel Gabriel*.

The invention of the bill of exchange has been attributed to the Jews of Lombardy, (640) and to various other peoples and epochs. The oldest in existence was dated 1381, and is in Italian; lately, however, some have been found dated 1207 A. D.

Management of American and English Savings Banks.

ECONOMICAL ADMINISTRATION OF THE SAVINGS BANKS OF NEW YORK STATE.

[This article is by Seymour A. Bunce, Esq., President of the Citizens' Savings Bank of New York, well known as a conservative officer and public-spirited citizen, who is both able and willing to defend the beneficent Savings Bank system against the onslaught of an enemy. The author is no less a friend of the New England and English institutions than he is of those located in his own State; but to prove the utter fallacy of statements reflecting on the management of the New York banks, he must in the argument use the same localities which have been held up in contrast with New York.—*Ed. Journal.*]

The Savings Banks of New York have obtained a success so highly gratifying to all who take any interest in the purpose and growth of these eleemosynary institutions, that anything tending to impugn the want of care, or want of prudence of those who are intrusted with their management, may, in some degree impair their usefulness. It should be, therefore, our first duty before accepting such statements to attentively consider the facts of the case in all its relations and bearings. It has been alleged, and comparative tables and figures have been published to prove that the management of the New York Savings Banks is extravagant as compared with the expenditures of the English and New England Savings Banks. This allegation at first sight appears to be well sustained, but a careful inspection of all the facts, and all the surroundings, will show that the figures so freely given are misleading, and the accusation of extravagance eminently unjust.

In comparing New York savings banks with those of other sections, there are several things to be considered, such as the accommodations furnished to depositors, convenience of location, the number of days the bank is open for business, the number of hours on each business day, and the number of clerks employed in order to facilitate the discharge of business at the counter and guard against the unnecessary detention of depositors. Probably no similar institutions in the world afford the same accommodations to depositors as those of this country. The savings banks of Great Britain in the larger cities have numerous branches in neighboring towns, which are commonly managed by gentlemen of influence in the vicinity, the only cost to the parent bank being for blank-books, printing, and stationery. It may be of interest to note that the Glasgow Savings Bank, for instance, has 220 penny branches alone, and the Liverpool Saving Bank 104, and yet great complaints have been made of the limited and unsatisfactory accommodations afforded.

The character of these complaints is well illustrated in the admirable little story, originally published in "Dickens' Household Words," entitled "My Account with Her Majesty." In this story the delays and vexations occurring in doing business with the English trustee savings banks are portrayed in a forcible manner. The hero of this story, after several attempts to reach the bank, which is situated in an inconvenient part of the town, is at last successful, but only to find

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd	SECURITIES.	Bid	Askd
Balt. & Ohio 6s, 1880, J. & J.....	100		Louisville Bridge Co. 7s.....	*112	113
do 1885 A. & O.....	107½	108½	RAILROAD BONDS.		
Pitts. & C. 1st 7s, 1886, J. & J.....	110	112½	Greensbury Branch.....	*103	
N. Cent. 6s, 1885, J. & J.....	108		Louis. and Nash. Leb. Br.....	*101	102
do 6s, 1900, A. & O.....	108	110	Louis. and Nash. Cons.....	*112½	
do 6s, gold, 1900, J. & J.....	104¼	105	L. and N. 2d mort.....	*102	*103
Cent. O. 6s, 1st m., 1890, M. & S.....	107		Louis., Cin. and Lex. 1 m 7s.....	*111	
South Side, 1st 8s, J. & J.....	105		do do 2 m 7s.....	*102	103
do 2d 6s, do.....	90		Jefferson. M. and I. 1st m 7s.....	*112	113
do 3d 6s, do.....	89		do do 2d m 7s.....	*102	*103
Cin. & Baltimore 1st 7s.....	100	110	Elliz. and Paduc. 1st m. 8s.....		
W. M. 1st m 6s gu. 1890, J. & J.....	113	116	E. and P. Louisville Br'ch 7s.....		
do 1890, J. & J.....	103	106	Shelby, 1st mortgage 8s.....		
W. Maryland 2d m (pref).....	85	95	Owensboro and Russel, 1 m 8s.....	101	102
W. M. 2d m. 6s gu. by W. Co.....	103		MISCELLANEOUS BONDS.		
M. & Cin. 1st m 7s F and A 1892.....	104½	105	Kentuc. State bonds (old) 6s.....	*105	
do 2d m 7s M. and N.....	72½	73	do do (new) 6s.....	*105	
M. & Cin. 3d m 8s 1900 J. and J.....	40	40¼	New Albany City.....	*105	105½
Rich. & Dan. 1st m. M. and N.....			Water Works bonds, 6s.....	*107	108
Union R. R., End. Cant. Co.....	107	108½	Louisville Transfer Co. 8s.....	*103	
Canton Co., 1st 6, gold, J. and J.....	105	105½	STOCKS.		
Orange, Alex. and Mn's 7s do.....	74	75¼	Louisville and Nashville R. R.....	87	88
Orange & A. 1st 6s, M. and N.....	100		Gas Company stock.....	107	108
do 2d 6s, J. and J.....	100		Louisville Bridge Co. stock.....	112½	
do 3d 8s, M. and N.....	70				
do 4th 8s, M. and S.....	88½	40	ST. LOUIS.		
Virginia & Tenn 6s 2d J. and J.....	100		CITY AND COUNTY BONDS.		
do 6s, J. and J.....	112		City water (ls. '67) 6s gold.....	*105	106½
W. & W. 7s gold 1900 J. and J.....	110		City water (ls. '70) 6s gold.....	*105½	106½
W. and Columbia and Aug. 7s.....	40	46	City water (ls. '72) 6s gold.....	*105½	107
Ohio & Miss, 2d 7s, A. & O.....	109	110	City sewer (ls. '73) 6s gold.....	*105½	107
Balt. Gas, J. and Dec.....	100		City park 6s gold.....	*105½	107
do gold certifi.....	100	100¼	City bdg approach 6s gold.....	*105½	107
People's Gas, J. and J.....	25	13½	City 6s Currency.....	*104	
Consumer's Gas.....	4½	4½	County 6s, gold various.....	*105½	
do gold 6s, J. & J, 1892.....	99	101	County 6s, gold of 1892.....	*105½	
Georges Creek Coal, J. & J.....	85	100	do do 1893.....	*105½	
Chesapeake and O. Canal bonds.....	25	50	County 7s, Currency.....	*104	106
Balt. Warehouse Co, J. & J.....	19	20			
Cincinnati 7-30s, J. and J.....			RAILROAD BONDS		
Norfolk Water, 8s.....	116		At. & Pac. 1st Cent. div.....		
			Denver Pacific and Telegraph.....		
LOUISVILLE.			Kan. Pac. 1st m. F. and A.....	116	117
CITY AND CANAL BONDS.			do 1st m. J. and D.....	110	111
City improvement 6s.....	*103		do 1st m. (Lea. br.).....		
do bounty 6s.....	*103		do income No. 11.....	72	
do school 6s.....	*103		do income No. 16.....	72	
do wharf (old) 6s.....	*103		do (Den. ext.) 1 m.....		
do do (new) 6s.....	*103		Kan. Pac., 1st m. L. G. 7s.....	120	122
do water works (old) 6s.....	*103		Missouri Pacific 1st mort.....	108	107
do do (new) 6s.....	*103		do do 2d do.....	107	
do L. and N. R. R. (M. S.) 6s.....	*103		North Missouri, 1st mort.....	112	
do L. and N. R. R. (L. E.) 6s.....	*103		RAILROAD STOCKS.		
do E. and P. R. R. 7s (old).....	*106		St. Louis & San Francisco.....	40¼	
do E. and P. R. R. 7s (new).....	*107	108	do do pref.....	80	
do old liabilities due 1880.....	*101		do do 1st do.....		
do St. Louis A. L. R. R.....	*102		Kansas Pacific.....	89	
Canal bonds, 3d issue, 6s.....	*102		Pacific of Missouri.....		
do 4th issue, 6s.....	*106	*107	St. L. Kan. C. and Nort. pref.....		
			do do common.....		

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EXPIRATION OF NATIONAL BANK CHARTERS.

The approach of the time when the charters of some National Banks will expire by limitation, naturally has caused some inquiry as to the effect which will be produced. Many who were opposed to the National Banking system were, until within a few months, under the belief that the system itself would cease by limitation in twenty years from the date of the act by which it was created. The original act of February 25, 1863, did contain such a provision, section 11 providing that each National Bank should have succession for the period limited in its articles of association, not, however, exceeding twenty years from the date of the passage of this act. The law of 1863 was repealed by the act of June 3, 1864, section 8 of which provided that each National Bank should have succession for twenty years from the date of its organization. It was, however, provided that the repeal of the act of 1863 should not affect the organization of any associations already organized, or in process of organization. Four hundred and fifty-two banks were formed under the earlier act, and where earlier dates are not specified in their articles of association, the charters of these banks expire on February 25, 1883. In some cases earlier dates were so specified, and the charters of these banks commence to expire in May, 1882.

The charters of the associations formed under the act of 1864 begin to expire in 1884, and continue to expire as twenty years elapse from the date of each separate organization.

If an act were passed now, prohibiting the further organization of National banking associations, it is obvious that the system would continue in operation as represented by banks recently formed, until twenty years from the present month, or until May 1900.

In this connection it is of interest to consider the effect of the passage of such a law. As the earlier organized banks dropped out, the remaining charters would acquire additional value, and there would be a tendency to accumulate capital under them, and the privilege of

issuing circulation would again assume the form of a monopoly, which is so often erroneously charged against the present system of free national banking. The uncertainty of future legislation is so great, that a future Congress might, by increasing the privileges of the few remaining charters, and permitting changes of location, create a close corporation, possessing all the real and fancied power for evil of the old Bank of the United States.

Unless such a bill is passed the National system of free banking may enjoy a perpetual existence. And this not only by the constant creation of new banks, but by the reorganization of those whose charters expire. As the law now stands National Banks may liquidate upon the expiration of their charters, or at any time just before such expiration, and may reorganize as a new national institution.

In this view the question of liquidation becomes an important one. The incorporation of a National Bank can only terminate by expiration of its charter, by forfeiture* of its charter, or by voluntary liquidation. The expression voluntary liquidation is used to distinguish a liquidation of its affairs ensuing upon action taken by its stockholders, from one ensuing upon the forfeiture of its charter, or upon the expiration of its charter. There is still another form of liquidation which takes place upon the appointment of a receiver in case of insolvency, where there is neither forfeiture nor expiration of charter by limit, or by voluntary consent of stockholders. This liquidation by a receiver appears exceptional, as the charter may still continue to run. It is a partial liquidation only, by which depositors and other creditors are paid, but not stockholders. After all the creditors of an insolvent bank are satisfied by the receiver, the stockholders can take the remaining assets out of his hands, under the act of June 30, 1876. Although such a case has never occurred, it is very possible that if during the incumbency of the receiver the charter of the insolvent bank had not been forfeited, or had not expired by limitation, the stockholders could again revive the bank by making good its impaired capital.

A voluntary liquidation of a solvent bank resolved upon by the vote of stockholders holding two-thirds of its stock, surrenders its charter from the date of the vote. The law allows a bank so liquidating, six months within which to retire its outstanding circulation and to withdraw its bonds. There is, however, no provision whatever in reference to the time within which a bank whose charter expires by limitation must retire its circulation. Unless some additional law is passed, banks whose charters expire can continue to reap the benefit of a portion of their outstanding circulation for an indefinite period, until such time as the last note comes in, in due course of redemption.

* See case decided in Supreme Court of United States, *Bank of Bethel vs. Fiquioque Bank*, 14 Wall., p. 383.

The amount of bonds which, under the act of June 20, 1874, it has heretofore been held necessary to deposit with the Treasurer of the United States, before the completion of the organization of a National Bank, is not more than \$50,000. Under this view a bank whose charter has expired, can by the deposit of legal-tender notes, retire \$45,000 of its circulation, and release \$50,000 of its bonds. These can be re-deposited in the name of a new organization. While the old bank is in process of liquidation it can as rapidly or as slowly as it sees fit, transfer its remaining capital and bonds to the ostensibly new institution. Therefore it is plain that under the present law there is nothing to prevent the virtual securing of a new charter, although the process will doubtless subject the banks whose charters expire and which desire to continue as National Banks to some inconvenience, and perhaps to some interruption of their business.

It will therefore, be better for Congress to pass a law enabling all National Banks on expiration of their charters to obtain a renewal of the same, if their affairs upon examination prove to be in a condition satisfactory to the Comptroller of the Currency. Such a law authorizing a renewal of charter without the necessity of going through the form of creating a new bank, will be in accordance with the spirit of legislation which has so far created and sustained the National Banking system.

New Construction Placed by the Treasurer of the United States on the Act of June 20, 1874.

Sections 16 and 26 of the National Banking Act provided for the retirement of circulation when presented in sums of not less than \$900, and the surrender to the bank of the bonds deposited to secure the same, provided that such bonds on deposit with the U. S. Treasurer were not reduced below one-third of the capital stock of the bank making the withdrawal. The act of June 20, 1874, section 4, permits the retirement of circulation and the withdrawal of bonds by the deposit of legal-tender notes, provided that the bonds remaining on deposit in the case of the bank making the withdrawal, are not reduced below \$50,000. It has always been supposed that this later act repealed the older provision requiring the bonds on deposit to be kept equal to one-third of the capital stock, except in the case of banks one-third of whose capital stock was less than \$50,000. Since the passage of the act of June 20, 1874, this construction has invariably been acted upon both by the Comptroller of the Currency and by the Treasurer of the United States, and it has greatly facilitated a contraction and expansion of National Bank currency in accordance with the necessities of business. All banks without regard to the amount of their capital have been permitted whenever they desired, to reduce their bonds on deposit to \$50,000, by providing for the retirement of their outstanding circulation in excess of \$45,000 by a deposit of legal-tender notes; and banks

one-third of whose capital stock was less than \$50,000, have been permitted in the same way to reduce their bonds on deposit to an amount equal to such one-third of their capital.

The Treasurer of the United States has, however, recently taken the view that the provision fixing the limit of withdrawal of bonds at one-third of the capital was not repealed by the act of June 20, 1874, and that the proviso in section 4 of such act, applies only in cases where a withdrawal of bonds down to an amount equal to one-third of the capital would otherwise leave less than \$50,000 on deposit. This construction is contrary to both his previous practice in permitting the withdrawal of bonds, and to that of his predecessors in office, either Spinner, New, or Wyman. The Comptroller of the Currency holds to the construction of the act established by precedent, and the question has now in all its phases been presented to the Attorney-General for decision. This is not the first time the latter officer has had the construction of this act brought before him for his opinion. In July 1874, he rendered a decision upon it, which, although mainly on other points, was on this point in accordance with the construction heretofore adopted in practice.

The Treasurer appears to have overlooked the fact that the main object of the act of June 20, 1874, passed as it was while the aggregate limit of circulation was fixed at \$354,000,000, was intended to facilitate a re-distribution of the currency—to enable it to be withdrawn from banks located in States having more than their proportion, and given to banks in States having less.

Section 4 of this act was intended to facilitate voluntary surrender of circulation, and section 7 to compel the surrender. The latter section obliged the Comptroller to withdraw circulation from banks having over certain amounts, and in making such withdrawal the reduction of bonds on deposit, in the case of certain banks from which the withdrawal was to be made, to an amount less than one-third of their capital was inevitable. The voluntary retirement under section 4 was, however, so great that there was at all times sufficient circulation on hand to meet all calls for it. He therefore, before enforcing section 7, laid the facts before the Attorney-General, and asked whether he was obliged to enforce that section. The decision was in the affirmative. The passage of the free banking act of January 1875, obviated the necessity of enforcing section 7 of the act of 1874.

A decision in favor of the view taken by the Treasurer will necessitate the re-deposit of a large amount of bonds which have been withdrawn by National Banks.

The only thing that can on general grounds be said in favor of the Treasurer's view is that one object in creating the National Banking system was to afford a market for the securities of the United States. The construction of the Treasurer somewhat increases the amount which the National Banks will require to carry on their business.

This consideration doubtless at one time would have had weight, but the constant decrease in the debt of the United States, and the great private demand for United States bonds, obviates the necessity of straining the construction of a law in order to compel National Banks to hold them—more particularly, as the privilege of issuing circulation has, under some circumstances, become unprofitable to the banks.

SCHOOL SAVINGS BANKS IN HUNGARY.

The possession of national economical habits is about to become one of the great factors of individual and national success in the great industrial competition of the future. Some races are lamentably deficient in this preliminary requisite, and certainly there can be no better, as there is no other, school for teaching the young generation habits of thrift and industry than by making the inculcation of those principles a part of the daily instruction, and by putting in practice and encouraging them by the system of School Savings Banks.

Much of the commerce and trade of Hungary has fallen into the hands of foreign races, simply owing to the want of economy and business aptitude among the Magyars. The estates of the native nobles are gradually becoming the property of Hebrew bankers, while Germans are ousting the farmer and small trader. We thus see that the very existence of a people is, in these modern days, dependent on the capacity of saving and moral control.

A report which has just been presented to the Hungarian Minister of the Interior on the working of School Savings Banks is very interesting. The school teachers seem to recognize the patriotic and moral purpose of the institution; and although much opposition has been developed among a nation proverbial for its improvidence, among both "high and low degree," yet the success of the school banks in some districts has been very great. We find a *resume* of the teachers' reports in the "Pesth Lloyd," and it cannot fail to be interesting to all defenders and advocates of the really most practical method of meeting the advancing tide of socialism, intemperance, and extravagant living.

The Evangelical teacher at Czegled has sixty-six pupils, every one of whom is in the habit of depositing. He has been amply repaid for the slight amount of trouble required in conducting the bank by the higher moral tone of the families of his pupils. They belong almost exclusively to the class of mechanics and day laborers, and had been hitherto averse to saving money. One of them, who was even an opponent of the bank, and a drinker, became at once a somewhat changed man, when he saw his son saving a few pence, and his paternal feelings seemed to take a new growth, and find another expression in adding to his child's savings.

At Kaschau there are ninety-one scholars in the *Real* (Commercial) School. The director, Dr. Latz, thinks that the institution might be more successful were it not for the want of saving habits among the Hungarians; but he trusts that great changes for the better will be effected by the means of the School Savings Banks.

The lady who conducts the bank at Kun-Szent-Miklos reports that although the bank was only introduced in December, 1878, yet the seeds of economical habits have already been sown among the children of the peasant class, and the money once spent in sweets and fruits is now deposited in the bank, and forms a source of gratification to them.

The teacher at Leutschau writes: "An experience of four years has fully convinced me of the advantages conferred by the institution. Not a single instance of the abuses prophesied has occurred. I have heard of no money having been stolen or embezzled, nor have any jealous feelings been evoked among my pupils, on account of greater or lesser savings. On the other hand I have observed that my pupils have become more orderly in their behavior, and have renounced many evil habits."

A case from Lovass-Patona is interesting, and is told by the teacher at that place. One of his pupils (an apprentice) was a depositor in the School Bank. He fell ill, and surrounded as he was by friends as poor as himself, his last moments were lightened by his being able to assure the kind but impecunious people that his burial would not cost them anything. The money he had saved for other days was sufficient to provide a decent interment. The teacher adopted the rule of posting copies, on the opening of the schools, of the rules of the bank. The school library was open at the same time as the bank—on Saturday afternoons and evenings.

The School Bank at Simegh-Mihalyfa has been in operation during five years. No stealing or other vices were observed. The teacher, however, very pertinently remarks: "The bank must not be forced forward; the pupils must not be unduly excited." He states that young girls of the better classes were even encouraged to save, and began experiments in gardening and care of poultry, which enabled them to become depositors. One of his pupils saved so much money that he became a partner of his father—a small tradesman.

The Bill of Exchange in Ancient Times.

[Translated for RHODES' JOURNAL OF BANKING.]

Many persons must often have wondered whether the bill of exchange was known in ancient times. We know that the commercial enterprise of Tyre, Carthage, Syracuse and Alexandria, was such that the bill of exchange must have been a sort of necessity. It has been proved that the bill of exchange existed even in Assyria, and that it was known in Athens, and probably in Rome. The trapezites, or bankers, in Athens made transfers of money, and used both bills of exchange (*Kollubistika Sumboila*) and letters of credit (*Sustatika Epistola*). It is unnecessary to enter into a philological discussion here, but the opinion that prevails is, that the bill of exchange in our sense, was not known to the Greeks, but that the letter of credit or check was in frequent use. Demus, going out as commander of a galley to the island of Cyprus, visited Aristophanes, who lent him money on a *symbolon* of the king of Persia. In an act by which the Athenians entered into an alliance with the king of Sidon, (400 B. C.) there is a mention of a *symbolon* which would serve as a letter of introduction or credit for both parties. Various memoirs on the subject have been read before various learned societies in Athens, St. Petersburg, Paris, &c. The Athenians, it may be mentioned, were acquainted with draft, interest account, bank deposit, negotiation of securities, &c.

The bill of exchange, like all inventions of mankind, is a thing of successive improvements. If we consider the bill of exchange as involving four agencies: 1. An exchange of credits between the drawer and drawee; 2. The transmission by endorsement of proprietorship in the letter of exchange; 3. The solidarity, or common responsibility of the endorsers and the drawer; 4. The legal sanction given by the Courts to this obligation. In this latter combination, bills of exchange date several centuries posterior to 1184 A. D., but, if letters of credit are to be considered bills of exchange, then the origin of the latter dates from remote antiquity.

The discoveries made in deciphering the Assyrian inscriptions, prove that the bills were in use as far back as the 12th century before our era. These letters were of clay, and of a quadrilateral form, exactly like those of toilet soap. The inscription was written in the soft clay, which was then baked in an oven.

Here is a sample of one of the simplest:

- (1.) Four minas of Silver at the weight of Karkemisch.
 (credit) of Nergalsurusfur,
 on Nabuzikirridin, Son of Nabulramnapish
 of Dur-Larkin
 at 5 Shekels of Silver monthly interest
 The 20th air. eponymia of Gabbar (687 B. C.)

[Follow the names of the witnesses.]

* * * * *

- (2.) Two talents of copper
(credit) of Mannu-Ki-Arbail
on Samasakheisallim
The latter will pay in the month of Ab
(last day of month understood)
In case of non-payment
by a third
(the debt) will increase
The 11th Sivan, eponymia of Bauba (676 B. C.)
[Names of witnesses.]

* * * * *

The following is guaranteed by a credit on a third, against whom recourse may be had in case of non-payment:

- (3.) Seven Shekels of Silver
(credit) of Mardukabalussar, Son of Mitia
on Tardukabalussar, Son of Segua,
who (has a credit) on Rimut-Nabre, Son of Metia
Mardukatalussar (II) will pay in Month of Jouz
Seven Shekels of Silver
moreover three days work for the interest
In case of non-payment by him,
the credit will have to be paid
by Nabuakhidin and Rimut-Nabu (the guarantee)
who must pay in common
Orchoe, the 22nd Adar
The 2nd year of Cyrus, King of Babylon

[Many witnesses.]

* * * * *

The following approaches even more to our bill of exchange:

- (4.) Four minas, fifteen Shekels of Silver
(credit of Ardu-Vana, Son of Yakin
on Mardukabalussar, Son of Mardukabalatirib
in the City of Orchoe
Mardubalatirib will pay
in the month of tebet
four minas fifteen Shekels of Silver
to Belahaliddin, Son of Suinaid
Our, the 14th Arakhsamina
The second year of Nabonide
King of Babylon

[Signature.]

* * *

This letter is at 76 days sight, and contains all the essential conditions. Neither must we forget the letter of credit which was given to Tobias, and which he had cashed at Rages *by the archangel Gabriel*.

The invention of the bill of exchange has been attributed to the Jews of Lombardy, (640) and to various other peoples and epochs. The oldest in existence was dated 1381, and is in Italian; lately, however, some have been found dated 1207 A. D.

Management of American and English Savings Banks.

ECONOMICAL ADMINISTRATION OF THE SAVINGS BANKS OF NEW YORK STATE.

[This article is by Seymour A. Bunce, Esq., President of the Citizens' Savings Bank of New York, well known as a conservative officer and public-spirited citizen, who is both able and willing to defend the beneficent Savings Bank system against the onslaught of an enemy. The author is no less a friend of the New England and English institutions than he is of those located in his own State; but to prove the utter fallacy of statements reflecting on the management of the New York banks, he must in the argument use the same localities which have been held up in contrast with New York.—*Ed. Journal.*]

The Savings Banks of New York have obtained a success so highly gratifying to all who take any interest in the purpose and growth of these eleemosynary institutions, that anything tending to impugn the want of care, or want of prudence of those who are intrusted with their management, may, in some degree impair their usefulness. It should be, therefore, our first duty before accepting such statements to attentively consider the facts of the case in all its relations and bearings. It has been alleged, and comparative tables and figures have been published to prove that the management of the New York Savings Banks is extravagant as compared with the expenditures of the English and New England Savings Banks. This allegation at first sight appears to be well sustained, but a careful inspection of all the facts, and all the surroundings, will show that the figures so freely given are misleading, and the accusation of extravagance eminently unjust.

In comparing New York savings banks with those of other sections, there are several things to be considered, such as the accommodations furnished to depositors, convenience of location, the number of days the bank is open for business, the number of hours on each business day, and the number of clerks employed in order to facilitate the discharge of business at the counter and guard against the unnecessary detention of depositors. Probably no similar institutions in the world afford the same accommodations to depositors as those of this country. The savings banks of Great Britain in the larger cities have numerous branches in neighboring towns, which are commonly managed by gentlemen of influence in the vicinity, the only cost to the parent bank being for blank-books, printing, and stationery. It may be of interest to note that the Glasgow Savings Bank, for instance, has 220 penny branches alone, and the Liverpool Saving Bank 104, and yet great complaints have been made of the limited and unsatisfactory accommodations afforded.

The character of these complaints is well illustrated in the admirable little story, originally published in "Dickens' Household Words," entitled "My Account with Her Majesty." In this story the delays and vexations occurring in doing business with the English trustee savings banks are portrayed in a forcible manner. The hero of this story, after several attempts to reach the bank, which is situated in an inconvenient part of the town, is at last successful, but only to find

that he had "come on the wrong day." He relates his further attempt to make a deposit, and the annoyance and delay he experienced, as follows: "On the following Tuesday I got to the bank in good time. I didn't find it such an easy matter though to put my money away even now, when I was there with it in my hands. There was such a lot of people in the bank that there was no getting near the counter for a full quarter of an hour, and when at last I did get to it, the clerks did not seem inclined to take any notice of me. Two or three times I said to one of them that I wanted to put in £3 10s., but he paid no attention, and always turned to somebody else. * * * However, I got in at last, and received my book." On the approach of Christmas, desiring to use a portion of his deposit to celebrate that holiday, he tells of the vexation and disappointment he experienced: "Thursday before Christmas I went down to the bank to draw the money out, promising Susan to come straight home with it. You may judge how mad I was when the clerk told me I couldn't draw the money out without giving a week's notice. Here was a pretty go; Susan at home waiting to get in the tea and sugar, the plums and currants, and what not, and the cash not to be got until after Christmas. 'This sort of saving won't suit me,' says I to myself."

The following extract from an article in the "Temple Bar" will go still further to show the manner and method of English trustees savings banks in transacting business: "Of the 638 savings banks established in the United Kingdom, 20 only were open daily, 355 were open only once a week, 5 were open once a fortnight, and the remainder were open at various periods." The writer still further illustrates this view by taking the three counties of Bedfordshire, Berkshire, and Buckinghamshire, they coming first in alphabetical order, and states that in the counties named there were 21 savings banks. Many were open only one hour a week, and none over seven hours a week, so that the inhabitants of these three counties the population of which exceeds 458,000, had but 46 hours savings bank accomodation each week.

These extracts will show how inadequate the provisions in an English savings bank are for accomodation of depositors, all of which, of course, reduces the expense of management. Then it must be remembered that the administration of the English banks is almost exclusively clerical, the Government always taking charge of the deposits and allowing interest thereon. There is, consequently, no cost attending the investment of the funds, which in our banks is so important a branch in the business, involving many details and requiring great experience and business capacity. Sir A. Y. Spearman, Baronet, of the National Debt Office of Great Britain, stated to a committee of Parliament some few years since, "that very often the labor is done at a very trifling stipend merely because it is an act of charity to do it." Again he says: "But I do not know that they are

always self-supporting from the difference of interest paid. I know that there were more banks than one in the United Kingdom in which the arrangement with the officers of the bank was that they should receive for their remuneration just the amount of difference, whatever that might be." The custody of the funds and securities in our banks involve, also, extensive and costly precautions against burglars, which have been brought to an admirable system. It must not be forgotten, moreover, that the cost of everything is much higher here than in England—rent, clerk-hire, and all incidental expenses.

In like manner, in considering the expenses of savings banks in this State, as compared with the banks of New England, the different conditions must be considered. It must be borne in mind that the New England savings banks, in numerous instances are run in connection with mills; they are often located in the corner of a country store, and in many cases they are carried on in connection with commercial banks, the officers of the one discharging the duties of the other for a small additional remuneration. Twenty-five of the sixty-six savings banks of New Hampshire are conducted in connection with national or State banks. While these features characterize many of the New England banks the spirit of New York legislation for the past 25 years has been to force the savings banks to stand alone, wholly separated from any other institutions. The wisdom of the over-economic administration of the Eastern States may be exemplified in the recent developments of the savings bank at Reading, Mass., where the chief clerk managed to get away with \$130,000, the yearly expenses of that institution being \$1,100. The wisdom of the management of our New York savings banks might be further illustrated by pointing to the very satisfactory condition of the banks of this State in contrast with those of New England.

A writer lately said it was not to the credit of the managers of our savings banks that they were eclipsed in economy by the other States. The management of our savings banks is generally conducted by the merchants and business men of the locality, and it is yet to be shown that men holding eminent positions in commerce, in finance, in manufactures, in law, when assembled as a board, lose all their traits as careful, prudent, economical business men, those very traits that have tended to make them successful in their private pursuits.

The reader has probably judged from the argument so far that while the cost of conducting savings banks in this State is greater than that of the banks in Massachusetts, Connecticut, and New Hampshire, good and satisfactory reasons exist to account for it; but in reality the cost has not been greater when a comparison is made on a proper basis. The subject of the cost of managing savings banks is not a new one. Several English writers and Parliamentary committees have given the subject their attention, and as to the proper test to be applied in comparing the expenses of these institutions, Mr. Saintsbury, Secretary of the

Moorsfield Savings Bank, stated before a committee of Parliament, "that taking the percentage on the capital is not a safe criterion as to the comparative economy of management." John Craig, Esq., Treasurer of the Cork Savings Bank, also stated to the same committee, "I would say to take it at so much per transaction is certainly a much fairer mode of doing it than taking it by the account, because there is not in the world a more deceptive mode of estimating the cost of a bank than by taking it according to the number of accounts that are opened."

On the evidence of these experienced savings bank officers, the test of per cent. for open accounts or per cent. per dollar of deposits appears to afford no reliable or satisfactory results. As but few of the State reports give the number of transactions of their several savings banks, we are debarred from this test. The only other figures available seem to be the volume of business transactions with the depositors. In the following illustration the reports of the same States are used that have been quoted to prove the other side of the question:

State.	Total am't of tran's.	Year.	Expenses.	Av'ge cost per dol'r of each tran'n.
New York.	\$225,129,852	1878	\$1,320,451	.0058
Massachusetts.....	88,017,441	1878	608,550	.0068
Connecticut.....	28,769,150	1879	210,211	.0073
New Hampshire.....	13,088,861	1879	97,700	.0074

On this basis it is seen that the business of the savings banks of this State is in fact conducted at a much smaller cost than that of either of the other States mentioned.

Severe condemnation has been expressed from time to time on the amount invested in savings bank buildings, and yet some consideration should be given to the views and objects sought to be accomplished by their erection. The most experienced managers of these institutions consider that a savings bank building should be entirely isolated from other buildings, and be occupied solely by the savings bank, as affording the greatest guard against fire and most perfect protection against burglary. The building should be large enough to furnish a room of sufficient capacity to afford accommodation to depositors without crowding, and to facilitate the discharge of business. The building should be of such a stately appearance as to inspire confidence in the public, for it is found that the very poorest class of depositors, even those who repair in their rags to these institutions, like to leave their money in a building of an imposing air. "I like to buy my ounce of tea in a stately shop, Sir," said old Dr. Johnson; and it is found that this sentiment inspires even the poorest class of depositors. All experience, with two or three exceptions—and their failure as yet to accomplish the result sought for can probably be traced to other causes—furnishes the evidence that the erection of a suitable and proper building is not only the most satisfactory but the best investment for an increase of business ever made by a savings bank.

STOCK-JOBGING LEGISLATION.

Evidence is not wanting that some members of Congress and of State Legislatures are simply stock-jobbers. They introduce bills not for the public good, but for private gain. Once introduced, these bills are promoted or retarded in order that the stocks which are intended to be influenced may be depressed or advanced. Finally when the scandal becomes too prominent, by reason of public attention being called to it, this particular scheme is dropped and another one is hatched.

Until within a few years speculators who desired to employ the services of too willing members of Congress or of the Legislature gave their employees a "bone." The investigation into the Union Pacific Credit Mobilier case by Congress revealed the fact that these "bones" or stock privileges were very valuable; but the disclosures made in that case smirched, if it did not damn, the reputations of so many "statesmen," that their successors have apparently been very careful to avoid such entanglements since. During the reign of Tweed, members of the Legislature were openly bought in one form or another, and seemingly gloried in the exhibition of the evidence of their purchase. The Credit Mobilier *expose* and the downfall of Tweed brought about changes in the method of influencing legislation, and now stock-jobbing is resorted to.

Early in the present session of Congress a bill was introduced in the House having for its object the opening up of the Indian Territory to white settlement. This was intended to affect the speculation in the stock of the Missouri, Kansas & Texas and of the St. Louis & San Francisco companies, both of which had charters for lands in the Indian Territory. Then a bill was introduced declaring forfeited the land grants of such companies as had failed to construct their lines within the time specified in the grant. This was aimed directly at the St. Louis & San Francisco and the Northern Pacific, and was designed to depress the stocks of those companies. Next came a bill to extend the time for the construction of the Northern Pacific, and this was followed by another bill compromising with that company. About the same time the Pacific Mail Steamship Company and the Pacific railroads entered into a contract by which all transportation interests between the Atlantic and Pacific coasts were made to pay tribute to a few bold speculators. A resolution was introduced in Congress inquiring into the matter of the contract—which was a proper thing to do—but its consideration was suppressed. As the measures we have enumerated severally saw the light in Congress, speculation in the various stocks intended to be affected became active. An enterprising banker opened an office in Washington, ran a wire into the lobby of Congress, and thus enabled the "statesmen" and their followers to gamble with loaded dice instead of following the more uncertain

methods of the regular gaming table. They operated upon every changing phase of the bills or resolutions they were manipulating, and watched with elation the effect upon the New York Stock Market as revealed by the indicator in the lobby.

The earliest attempt on the part of members of the Legislature of this State to take a hand in this game of stock-jobbing came to grief. After the report of the Hepburn Railroad Committee was submitted, a bill was introduced compelling the Elevated Railroad companies to reduce the rate of fare to five cents. The bill passed the Assembly, and the speculatively inclined members of the Legislature went "short" of Manhattan stock. They then, as is alleged, compromised with the parties in control, bought the stock, and proceeded to kill the bill in the Senate. Contrary to their expectation, Manhattan stock fell instead of rising, involving all who had bought it in heavy losses.

The next specimen of stock-jobbing legislation was the passage of the bill imposing an onerous tax upon foreign capital employed in this State. It is alleged that this bill was prepared by stock speculators in this city, who watched its progress through both Houses, and, when it had been sent to the Governor, adroitly called attention to it, having first freely sold all classes of stocks. The result was seen in a sharp decline in share property, an advance in sterling exchange to figures very near the gold-shipping point, and a derangement of the money and other markets during the week succeeding its passage. Capitalists and merchants viewed this communistic movement with alarm. It was regarded as on a par with the Sand-lot legislation of San Francisco, and it was feared that capital might be driven from this metropolis as it had been from California by "Kearneyism." The speculators who had been instrumental in the introduction of this bill reaped their profits without waiting to enable their tools to do so, and are now watching for another favorable opportunity again to employ their willing instruments at Albany.

The remedy for this condition of affairs is simple, and it will soon be applied. When the attention of the public was called to the Credit Mobilier scandal, and the guilt of certain parties was strongly pointed out, those of their associates whose skirts were fortunately clean united in fixing a brand upon all concerned in the crime, and the constituents of these men promptly decided to dispense with their services in the future. Tweed was overthrown in this State, and although his fall compelled a change in the system of bribery, which is even worse than that employed by him, the new plan will soon have to be abandoned for the best of all reasons, that it does not pay. There are honest and patriotic members of Congress and the Legislature. They cannot afford to have representative bodies scandalized by such conduct as we have described, and the time will come when each man who is innocent will be compelled to proclaim and prove his innocence, and aid in fastening the guilt upon those who are guilty.

A Timely Letter to Senator Windom.

Possibly so much crude and reckless legislation would not be inflicted on the people if they would speak their minds more freely to those who represent them in State Legislatures and in the National Congress at Washington. During an election contest candidates talk glibly of serving their constituents with an "unselfish devotion," &c., and when the election is over and they reach the legislative halls, the people should see to it that the pledge is made good. At Washington a favorite method of serving the people is to devise some plan to protect their savings. Legislators, as well as all thinking men, know that a nation of savers is a guarantee of stability and good citizenship, and the virtue of saving can best be promoted by teaching the people that their savings can and will be absolutely secure. National Savings Banks have been discussed in Congress for several years past, and at the present session a very plausible bill to create such institutions has been introduced by Senator Windom, of Minnesota. Mr. E. H. Moulton, of Minneapolis, has written to the Senator in reference to his measure, and the letter is so interesting that it is given below for the benefit of the JOURNAL's readers.

"I see by the St. Paul 'Pioneer Press' of recent date that you have introduced a 'Bill to establish National Savings Banks.' May I ask you to send me a copy of the bill, and if not taking up too much of your time, may I ask you a few questions?

At the present time the deposits of the mutual Savings Banks of this country are nearly one thousand million dollars, (\$1,000,000,000) and are at present increasing at the rate of twenty millions a year, and with returning confidence and prosperity will probably double that increase.

The interest bearing debt of the United States is about \$1,770,000,000, which is being constantly diminished.

It is only a question of time when the savings bank deposits will exceed the amount of debt represented by bonds. When that time comes, may I ask in what kind of securities will the National Savings Banks invest their deposits?

In all probability that time will come long before 1900. Is it worth while to organize a system such as your bill proposes, that cannot in the nature of things last longer than fifteen or twenty years. The question now arises, could a system of Savings Banks, organized under such a law as outlined in the "Pioneer Press" last at all? I think not.

Let us suppose that the National Savings Banks obtain a deposit of \$500,000,000, your proposed law requires that \$450,000,000 of this shall be invested in government bonds. The price of 4 per cents is about 106. I believe that financiers generally will bear me out in the prediction that the purchase of such a quantity of 4 per cent. bonds would force the price up to 115. At that figure a 4 per cent. bond would net the purchaser 3 per cent. How could your National Savings Banks invest in securities that net 3 per cent., and then pay depositors

3 per cent. in addition to expenses, which in the case of small banks are from 1 per cent. to 2 per cent. of the deposit, and in the case of large institutions are at least one-half of one per cent.

I presume that you advocate this National Savings Bank law because you think that it is an improvement on the old system of mutual Savings Banks.

Let us consider this part of the subject. The mutual Savings Banks to-day are paying their depositors \$45,000,000 a year in profits. Should depositors withdraw their thousand millions from the custody of the old mutual Savings Banks and place them in the National Savings Banks, their profits would shrink to \$30,000,000. The loss to depositors the first year would be \$15,000,000.

That is greater than all the losses made by depositors in the old mutual Savings Banks since the inception of the system in 1816, in a period of sixty-four years.

That there are flaws, bad flaws, in the Savings Bank system is true; that the abuses need correction is well known, but excuse me, Senator Window, if I tell you that your bill provides no remedy.

The abuses are most glaring here in the West, and the competition of your low interest-paying Banks would not affect our high interest-paying Western Savings Banks. The most the United States can do is to tax out of existence every Savings Bank that transacts a general commercial business; then let men of high standing and great influence like yourself, advocate a general savings bank law for every State, modeled after that passed in New York in 1875, and I will guarantee you will seldom hear of a Savings Bank failure."

The predicted tumble in stocks has come, but whether the bottom has yet been reached is an open question. It was about the middle of April when the weaklings on the stock list began to go down step by step, and by the first week in May the downward current had carried with it some of the staunchest on the list to the lowest prices recorded for many months past. This was surely not unlooked for by those who make Wall Street methods an intelligent study. The decline has taken place without the circulation of any sensational rumors designed to affect prices, and is evidently only the necessary sequel of the wild speculation that prevailed during the past winter. The stocks of companies that have not paid dividends for years, and whose prospects of earning more than current expenses in the future are certainly not flattering, have been pushed up to giddy heights and held there merely by the force of immense capital. It is safe to assume that the downward course of such stocks will have frequent checks, but it is also certain that the power to maintain fictitious values has its limit.

In our money department of this issue—"The Banker's Index"—may be found a more complete account of recent financial operations in this centre.

SCHOOL SAVINGS BANKS IN FRANCE.

THE RISE AND PROGRESS OF THE SYSTEM.

[By M. A. De Malaroe, Perpetual Secretary of the "Société des institutions de Prévoyance" of France. Translated for RHODES' JOURNAL OF BANKING.]

SECOND PAPER.

The following are the rules which have been adopted in French School Savings Banks: The President of the school after having made the necessary arrangements with the nearest Savings Bank, informs his pupils that all sums not exceeding five francs will be received. It has been found that large deposits would lack the essential character of the Penny Bank, and that this circumstance has in the Belgian Schools destroyed the educational and progressive value of the institution. As soon as the deposits of a pupil amount to one franc, this sum must be deposited in the Savings Bank to the account of the pupil, who will then have a bank book in his name.

I. The teacher will devote one morning a week (Tuesday to be preferred) to the work of receiving and registering deposits &c.

II. The teacher is provided with a register of the School Savings Bank in which each page, which is to contain a pupil's account, has a folio number, the name of the pupil, and (when the book has been obtained) the number of the bank book of the Public Savings Bank. Each page is divided into twelve vertical columns for the months of the year, and thirty-one horizontal lines for the days of the month. The number of pages in the book should be larger than the number of pupils in the school, so as to provide for new-comers.

III. The teacher may have a journal or blotter to enter payments as made, and thus have a check on the deposits.

IV. The teacher has beside the register, a fly leaf which is on the face a fac-simile of a page of the register. This is handed to the pupil as a duplicate of his account, and forms a guarantee for the pupil's parents, and for the teacher. A short explanatory account of the moral aim, and the management of School Savings Banks might be printed on the back. This duplicate should be folded, and have a cover. In some schools the pupils prepare ornamental covers and cover the bank books, thus exercising themselves in bookkeeping and ornamental writing.

The entries on the duplicate can be made by some pupil selected for that day. The monthly abstract gives the folio of each pupil in the register, the amount to be paid to the Public Savings Bank, and, if the pupil has a book of the latter, its number. Those pupils having such books are first inscribed.

When the pupil has not a bank book from the Savings Bank, the teacher gives the place of birth, age, and name and residence of the legal representatives of the pupil.

The memorandum of the total sum received is signed by the teacher and brought to the Savings Bank, or branch, along with the money and the pupils' books. When the deposits are entered on the books the responsibility of the teacher is at an end. It is advisable that the teacher and the bank official should agree upon a specified time for making the deposit so as to avoid delay, and that the books should be returned to the teacher the same day.

It is greatly to be hoped that the wish expressed by the French Agricultural Congress of 1877, that Post and Tax Offices should be at the service of the teachers in this respect, should be carried out. The teachers should keep possession of the bank book as long as the pupil remains in the school, but on the day following the deposit in the Public Savings Bank, the book might be given to the pupil, so as to allow the family to inspect it. When a pupil wishes to withdraw the whole or a part of his deposit in the Public Savings Bank, he must have the authorization of his legal representative, who signs in the book together with the teacher and cashier of the bank. When a pupil leaves school the bank book is returned to his legal representative, and any fractions of a franc held by the School Savings Bank are also handed over and a signed receipt given on the folio of the School Register which contained the pupil's bank account. The teacher at the same time gives notice to the Savings Bank that the pupil has left the school, and that his bank book has been handed over to his legal representative.

The legislation affecting Savings Banks in France authorizes deposits by proxies, and therefore those made by teachers in behalf of the School Savings Banks. A Public Savings Bank cannot refuse to receive any deposit by proxy, nor to give a bank book entitling its holder to all the advantages accorded to ordinary depositors.

The form used for the back of the duplicate which is given to each pupil runs as follows: "The aim of the School Savings Bank is to bring the Savings Bank within the reach of children. The child can by its means be admitted as a depositor to the Public Savings Bank, and economize the pocket money given to him by his relatives. Not to speak of the habits of thrift inculcated by the Bank, there are often occasions in which the child's savings may render important service to the family, &c." The bank book given to the pupil is exactly the same as to adults, and thus on leaving school he at once becomes affiliated with adult depositors.

If a different book be given to the child from that of the apprentice and the workman, and this, just at the most critical moment, which so often decides the future of the workman, there is great danger that the formalities attending on a change of books will have the effect of interrupting the habit of economizing. We cannot, therefore, too strictly recommend the Presidents of Savings Banks to give the same bank book to children as to adults.

The third and concluding article on this subject, showing the RESULTS of School Savings Banks, will be published in the next number of the JOURNAL. ED.

RHODES' JOURNAL

ARBITRATED POINTS.

POINT I.—THE GRACE-IOUSNESS OF CHECKS.

Assume an instrument drawn in this form :

" \$500.

N. Y. April 10, '80.

Cashier Park Nat'l Bank :

Pay John Smith or order five hundred dollars on May 10, 1880.

(Endorsed)

(Signed)

JOHN SMITH.

JOHN BROWN."

Is such an instrument entitled to days of grace?

It depends entirely on the customs as to days of grace which are binding in the State where the Park National Bank is situated. If that State is Connecticut, the instrument would be payable without grace on the day when, by its tenor, it becomes due. If that State is New York, then the instrument is entitled to three days of grace. In either case the allowance or disallowance is by virtue of an established custom. This whole question has received the most varied treatment at the hands of the judges, and the disadvantages resulting from these diverse judicial opinions are so great that the community is very desirous for a definite conclusion, one way or the other, which shall be binding in all the States.

Such an instrument as the above is neither a bill of exchange nor a check, if accurately characterized. It is a hybrid species of paper which must be subjected to a twisted rule. In all respects save the naming of a future day for payment, it is a check. In this particular and important feature it is a bill of exchange. Evidently if for any reason it is to bear grace, the reason must exist in an analogy to the bill of exchange, and in that feature only. The courts of New York, with a zeal for increasing the facilities of commercial payments, have of late inclined to allow grace on such instruments arbitrarily without reference to any custom. It is objected to the spirit of these decisions, on the other hand, that the employment of such an instrument as the one under discussion does unmistakably evince, by virtue of the form of the instrument, which is formally a bank check, an intention on the part of the business community to regard this peculiar instrument as a bank check *simon pure*, with the inseparable incidents of a bank check, and not as any other species of business paper

whatever. This view is not, as some have held, a new view of the matter. It was advanced and supported by Justice Story with that jurist's wonted vigor and learning. Indeed the arguments which he used in this connection have never been satisfactorily disposed of by his opponents. Now, the doubt resolves itself at last into this general question: Is the allowance or disallowance of grace upon any given species of commercial paper the fit subject of commercial usage? Why should it not be? All persons familiar with the origin and theory of the practice of giving days of grace upon such kinds of paper as now possess the attribute are aware that the practice is wholly the result of the usage of bankers. What sufficient reason, therefore, is there which, if it appears that the business community actually allows days of grace to such an instrument as above in a large and influential city like New York, will justify the courts of Connecticut in arbitrarily denying the legality of such a custom when developed in that State? There seems no good one in the absence of a specific statutory provision. On the contrary the argument seems to be as follows: The allowance of grace on business paper is properly a subject to be determined by usage, inasmuch as it owes its very existence to usage. Checks, being a species of business paper, are a proper subject of usage, and may so become at length entitled to grace. That species of checks which have the strongest resemblance to other kinds of business paper having days of grace, has a prior right to grace among the remaining species of checks. From all of which it appears that such an instrument as the one supposed above may be fairly considered to be entitled to days of grace in any locality where such is the general custom, and this, too, without depriving it of the other legal incidents of a check in the regular form, payable on the day of its date.

POINT II.—IS DISCOUNTING USURIOUS?

A bank when discounting the paper of its customer deducts the interest in advance. It thereby secures to itself interest for the period during which the discounted paper runs, which is a fraction of one per cent. more than the regular rates. Why is the bank in such cases held exempt from the penalty of usury?

If this practice of discount had no other basis than custom, this custom would undoubtedly be held illegal for the sake of punishing the practice. But this practice must always be regarded as the outgrowth of a power expressly conferred on banking institutions by organic law. Discounting may be properly defined to be "a loan of money on business paper where the interest is counted off in advance." This counting off this deduction is a vital element in the transaction itself. Now, this power to discount must be regarded as of the very essence of the banking business. It is a privilege vested in every banking institution by virtue of its essential character. To discount is one of the specific objects for which a bank exists. It follows, therefore, that a corporation empowered by law to conduct the general business of banking has inferentially a legislative authority

to compute interest in this peculiar manner, even though the amount secured by this computation is greater than what is known as the "legal rate." Besides, power "to discount" is usually given in terms in the charters of all banks. But whether given in terms or not, the power is conferred as inseparable from institutions of this character. The true basis of the practice is thus revealed. Doubtless it was recognizable on principles of familiar and long established usage before it became justifiable under any precept of statutory or judicial law. At this day, however, when discounting is done under legislative permission, the peculiar method of computation which gives the transaction of discount a quasi-usurious flavor is fully within the same permission. This exception to the usury laws is plainly based not on a usage only, but on a usage crystallized in a proposition of law, and an exemption from the penalty finds its reason in this peculiar combination of custom and legal enactment.

POINT III.—A BANKING CUSTOM—GOOD OR BAD?

A country bank in New York State is wont to send paper left with it for collection in New York City by the captain of a steamboat plying to the city, instead of sending it by mail. It is also wont to send only once a week, except in cases of an unusual accumulation of paper. This steamer arrives in New York City early in the evening of the day on which it starts. Does this custom possess the requisites of a good custom?

Speaking in strictness, a usage, in order to be entitled to the authority of a banking usage, must be such a usage as is peculiar to a particular city or locality, rather than to an individual bank. It may reasonably be assumed that a person who resides and does business in a given city or locality is aware of any special system of usages uniformly adopted and consistently carried out by the banks of that particular vicinage. Such a person has a right to assume that each bank in the place treats him in accordance with these usages, and, though in fact ignorant of them, he will be held to know them all. But in the case stated above, there is found the custom of a particular bank only. The question is: Can this custom be considered binding at all? If so, who are they to whom its obligation extends? Whether the custom is good depends on the length of time it has existed, and the number of instances actually occurring under it. Twenty-one years is the arbitrary limit which separates the legal infant from the legal adult. But manifestly no number of years or instances can be fixed upon as the arbitrary limit at which an embryonic usage becomes a perfect one. Notoriety ensues upon the frequent practice of a custom through a long time. Time and practice which bring notoriety, gives authority. Bank officers may arrange or direct that the usages of the bank for the transaction of a certain series of acts shall be observed in a certain method. Nevertheless this method will not constitute a legal usage as toward outside parties simply by virtue of the intention of the officers. Time and practice bring an authority which in these matters of usage officials can

never confer. From these two factors the law draws its inference of knowledge on the part of the public, if the usage is that of the banks generally; or on the part of persons dealing with the bank, if the usage is that of an individual bank only. Under such principles we must decide as to the particular custom now under discussion. This custom is not lacking in any of the essential elements of a custom. It is not unreasonable in itself. Therefore applying the the remaining test of notoriety, it seems likely that while this custom would not be binding on persons not notified of it, it would be binding upon and valid as toward all persons notified of it. And this, too, although the custom had been practiced in only a single instance after the bank had determined to practice it regularly. For while this single instance would be wholly incompetent to establish the fact of a usage, it would be quite sufficient to bring notice to all persons having knowledge of it that the custom had been regularly established.

POINT IV.—RIGHT OF INSPECTION OF BOOKS.

A customer of a bank calls at the banking house at noon of a business day, and demands to inspect the books of the bank, under his general statutory rights of examination. The bank refuses to allow the inspection. What are the rights of the customer and the bank?

It is said that the books of a bank are always open to examination by a depositor; but it is also said that this examination must not be demanded except on "a proper occasion." Certainly such a request as the one supposed above, if made without an invitation from the bank or a notice by the depositor, could, with much show of reason, be regarded by the bank officers as an unjustifiable interference in the private affairs of the bank. And if it be further supposed that our depositor is not a stockholder or does not apply in that character, the bank officers may with perfect propriety refuse him the inspection which he thus demands. Therefore, in the absence of any distinct adjudication on the matter, it must be assumed that only those portions of the accounts of the bank which show the transactions between the bank and the individual applicant are open to the inspection of any person appearing as a depositor only. The more narrowly the term "proper occasions" can be restricted, the better for bank and customers alike. Where the customer has reason to think that inspection of the bank books will reveal an error in his account, he is in simple justice entitled to make this inspection at the earliest convenient hour. Nevertheless, great care ought to be taken that this privilege does not outrun its reason. And inasmuch as the reason of the privilege is to ascertain the condition of a customer's single account, the privilege should never be extended beyond this examination. Plainly, it ought not to extend to the accounts of other customers than the examining customer. Nothing could be more hurtful to the welfare of all concerned than the gossip which would certainly attend upon an indiscriminate inspection.

POINT V.—*ULTRA VIRES* VS. ETHICS.

A National Bank engages in the sale of Railroad bonds on commission. John Smith induced by the representations of the teller of the bank, purchases one of the said bonds for \$500. It turns out that the teller lied as to the market value of the bond, and Smith loses two hundred dollars by his purchase. Is the bank liable to Smith?

It ought to, be but it isn't. Under the National Banking Act a National Bank has no authority for selling railroad bonds on commission. Therefore, say the Courts, if a man buys such security from such a bank and loses by the purchase, let him suffer for his folly. And the logic is as follows: The bank cannot be made responsible for doing what it had no right to do. This is the famous doctrine of *ultra vires*—a doctrine which has stolen the livery of a classic verbiage to serve the ends of a modern corporate fraud. Nothing could redeem from utter absurdity an argument which should seek the abolition of penalty for crime on the ground that no man has a right to commit a crime. It would be a huge farce if a convicted burglar should ask his discharge because, forsooth, burglary is not a legal privilege of the citizen. And it is not a little difficult for a layman to understand why a moneyed corporation, with numerous opportunities of over-reaching its strict statutory privileges, should be allowed to apply this same logic to the circumstances constituting an equally contemptible trick. Yet such is the fact, and only a fortnight since in New York City, a National Bank under the technical plea of *ultra vires* has answered the frantic appeals of a swindled Connecticut farmer with this logical, ethical, and legal rhodomontade.

POINT VI.—WHO RECEIVES DEPOSITS?

Brown wishing to deposit \$10,000 in the Old Colony Bank of Newport, and being himself a resident of Boston, delivers this amount in cash to Jones, President of the Old Colony Bank, and, at the time, Brown's guest. Jones, while *en route* for Newport, is killed. An examination of the clothing and baggage of the deceased fails to discover the money delivered by Brown, nor could any traces of it be found at the banking-house of the Old Colony Bank. Is Brown entitled to recover the amount from the bank as money put on deposit?

The general principle is that the debt of the bank to the depositor springs into a perfect existence simultaneously with the reception by the bank of the money of the depositor. It is necessary, however, if the depositor wishes to avail himself of this principle, that he shall have delivered his money sought to be put on deposit to some officer of the bank who is entitled to receive it on the part of the bank. In no other case can the bank be properly held liable, if the money should be lost, stolen or embezzled, or should become worthless while it is in the act of transfer to the custody of the bank. In this country, and particularly in all large cities, a bank has an officer known as the "receiving-teller," whose special function it is to receive funds for deposit. Whenever, then, a person seeks to deal with a bank having such an officer, a payment of money with a view to deposit ought to be made to that officer. If a customer puts his money into

the hands of any other officer, he makes the latter his agent for transferring the amount to the books of the bank or to the receiving-teller. In case this officer, who is thus constituted the customer's special agent, fulfils his agency, and the money reaches the receiving-teller undiminished in amount, the debt of the bank has accrued. Otherwise the transaction is not a legal deposit which makes the bank liable, and this, too, even though the fault is wholly that of the bank officer to whom the money was entrusted. Doubtless payments with a view to deposit are often made to other officers than the receiving-teller. But these instances are impotent to alter the well-established principle enunciated above. While the office of receiving-teller exists, and while its incumbent continues to exercise his functions, all money for deposit ought in some manner to come to his hands. In the case above supposed, the bank had a receiving-teller. It had never delegated the power of receiving money for deposit to the President, Mr. Jones. The bank cannot, therefore, be held liable to Brown for the loss of his money as for money deposited, even although it were made to satisfactorily appear that Jones represented himself to Brown as vested with this receiving power. Indeed so strictly ought the customer to be held to caution in delivering his would-be deposit, that the bank should be exonerated from liability for damage to the customer in all cases where the payment is not made at the bank counter and at the window bearing the sign "receiving-teller." Otherwise, let the customer beware, and pay elsewhere at his sole risk.

POINT VII.—STOCK REGISTRY.

Suppose bank shares are placed in the name of a person without his consent, express or implied, and without any consideration passing from him, can he be made liable in any event as a stockholder?

The general rule of law in this matter is that whenever the name of a person is registered on the stock ledger of a corporation as a holder of shares of its stock, the individual thus named will be held liable as a shareholder. The natural and *prima facie* evidence of ownership which creates the liability in any given case are the bank records. Even where persons have allowed their names to be entered in the bank books as stockholders, although it is agreed by the bank officers that these persons are not to make any payments or become liable in fact, they are liable for the benefit of all creditors, as are owners of stock in the best faith. Likewise, if a bank director, having solely in view the maintainance of the bank's credit and without any design beyond promoting the corporate welfare, allows shares to be placed in his name as a cover, in the belief that the bank has no legal right to hold them, he will, so far as the creditors of the bank are concerned, be treated as an owner. Indeed, this doctrine of liability has been so far extended as to be applied to cases where shares had been hypothecated and placed on the bank books in the name of the transferer. In such cases the whole spirit of the decisions has

been in favor of compelling the transferer to contribute simply because the bank shares appear in his name on the books. In the case supposed above, therefore, unless it were made clearly to appear that the person was wholly innocent in the matter, and altogether without purpose of injuring any creditor of the bank by a swollen credit or a legal *coup de main*, he would be held to a strict liability. In New York State one exception, and only one, exists to the general rule, namely, the case of an executor. It was held that where an executor invests the funds of the estate in bank shares without leave, by will or by court, the estate does not become liable as a stockholder. Probably the executor would be liable in his individual capacity for any damage resulting from the act.

POINT VIII.—CHECK-HOLDER'S RIGHT TO SUE.

The holder of a check presents it to a bank on which it has been drawn, and which has on deposit sufficient funds of the drawer with which to meet the check. There is no suspicion on the part of the bank that he is not a holder in good faith. The bank refuses to pay the check. Has the holder a right of action against the bank, and if not, why not?

The English and American decisions on this point are more or less in conflict. Only within recent years have the courts of either country displayed, even among themselves, much uniformity of opinion. Probably, however, the preponderance of American authorities is against the existence of any right in the checkholder to bring suit against the bank in such a case as the one supposed above. Those early authorities which maintained that such a right existed, based themselves on the doctrine that by drawing a check the drawer had made an assignment of his funds in bank to the amount of the check, and that consequently the bank ought to be compelled to pay the amount on demand to a third party as certainly as if the check in question was drawn by the depositor for his immediate personal benefit. And certainly this view had much to recommend it. The Supreme Court of the United States, however, has contemptuously dismissed this doctrine and established its contradictory. The grounds of its decision are in the highest sense technical. They are substantially as follows: It is clear that a check-holder can sue the check drawer if payment of the check is refused by the bank. It is equally clear that the check-drawer can sue the bank for a breach of its contract to honor his check to the full extent of his deposit. Manifestly, then, the equities are preserved; for the bank and the drawer are both under liability. But if, say the judges, the check-holder can sue the bank for the refusal to honor the check-drawer's check, there is presented the anomaly of a right of action existing in two distinct persons for the same thing at the same time. The law dreads these anomalous developments more than a small failure of justice. Therefore, in order to guard against this evil in this and similar emergencies, the rule is laid down that except there be a privity of contract between the check-holder and the bank, there can be no recovery by the form-

er against the latter in such a case as is supposed above. The check-holder took the check in reliance upon the credit of the drawer solely. The bank cannot possibly have had any part in the simple transaction of drafting and delivering the check. If the bank could be considered a privy of this contract and to be bounden by this privy, it might arise that a bank would be called upon to pay a check after it had been countermanded—possibly after the drawer's account had been exhausted by checks drawn subsequently to the one in question. Indeed, the absurdity of an obligation on the part of the bank to pay the check before it is presented might logically follow. Clearly banks would be compelled to abandon the system of deposit accounts if such results could be predicated as legitimately consequent upon the drawing of a check. So say the courts. Of course, it is to be borne in mind that the bank may, by certification or some other voluntary act, create a liability on its part to pay the check. But this liability is distinct from the one now under discussion.

POINT IX.—CHECKS PAID *PRO RATA*.

The holder of four checks, drawn by the same person on the same bank in favor of four different persons, presented them to the bank on which they were drawn for payment at the same time. The paying teller, knowing that the drawer had not funds enough to pay the full amount on each check, paid upon them *pro rata*. Had the bank or its officer the right to make this distribution of the drawer's funds?

The obligation of the bank at the time of the presentment of a check for payment, if it has funds to the drawer's credit sufficient to meet it, unpledged by an acceptance or undertaking of the bank on his behalf and upon which no lien of the bank attaches, is to pay the presented check immediately. It is no concern of the bank that it has knowledge of a certain presentment of checks in the future which will exhaust and overdraw the drawer's account. It has no right to refuse the payment of a check actually presented because of an expectancy of future checks. The rule with checks, like that with barbers' customers, is "first come, first served." In the case supposed, the paying teller committed a perfectly unjustifiable usurpation of authority. It was his simple duty to have paid the first one of the four checks upon whose validity he passed, and so to have continued until the account of the drawer was exhausted. He was amply protected. The bank is never required to pay a part of a presented check, and could never be justified in constituting itself the agent of either the drawer or the holder of the checks in the fashion supposed. Only one difficulty could arise. The teller might discover, in such instances, that while the drawer's account was insufficient to meet one of the checks presented, it was quite sufficient to meet another and smaller one. The duty of the bank in such a case has not been judicially determined. However, it seems clear that the smaller check should be cashed; and this, too, even though from

among the batch of checks presented at the same time, the teller had first passed upon the authenticity and genuineness of the formal parts of the larger check, nor can it be said that the presentment of the large check, which is an overdraft, creates any lien on the drawer's balance which would prevent the using this balance to satisfy the smaller check. Herein, at least, the discretion of the teller must be considered as exonerating the bank from blame or liability, whatever the exercise of that discretion may determine.

POINT X.—IS IT A PURCHASE?

A customer of the Park National Bank presented to the paying teller of that bank a check drawn on the Chemical Bank for his benefit. The paying teller, knowing all parties to be perfectly responsible, gave cash for the check. Was this transaction legitimate under the spirit of the National Banking Act?

It seems not. The functions of a bank are clearly defined, and such a transaction as the above has too close a resemblance to the *purchase* of the check, which the bank clearly had no legal right to make. The proper method by which this customer of the Park Bank should have sought to accomplish his purpose was to have deposited with the Park Bank for collection the check on the Chemical Bank, and then to have drawn on the Park Bank the amount of the former check. Obviously if a bank cashes checks not drawn upon itself, and by accident or fraud anything goes wrong, the bank is put to the very disagreeable fate which attends upon a transaction out of the ordinary banking business. The custom would certainly be a great evil if generally prevalent.

POINT XI.—BANK COMPROMISE.

Admitting that it is not within the corporate powers of a National Bank, organized under the National Banking Act, to deal in stocks by way of purchase and sale or speculation; assume that in the *bona fide* attempt to compromise a contesting claim growing out of a legitimate banking transaction, the bank pays a larger sum than would have been exacted in satisfaction of the demand in order to effect a transfer to itself of certain railroad stock; assume that the bank expects, by turning the stock into money under more favorable circumstances in the near future, to avert serious loss. Is such a transaction legitimate?

It seems that the power to acquire stocks is incidental to the power of providing for the discharge of a disputed claim by way of compromise. There are certain incidents properly held to be inseparable from the banking business. The obligations of a bank must be met. Compromises to avoid loss are often absolutely necessary. And in the protection of its credit a bank may do whatever a natural person could do in like circumstances. In the honest exercise of this incidental power to compromise a debt owing the bank, a bank may legally accept stocks in payment and satisfaction. Such a composition would not amount to what is called "dealing in stocks," and which is illegal. It must, however, always be made in the midst of a *bona fide* intention to sell the stocks at the earliest practicable date. To hold the stocks indefinitely would give the whole affair the aspect of a cloak or device to cover an unauthorized practice. The bank is protected in taking the stocks only when to take them is the best thing it can do, and to get rid of them is the most desired.

* Replies to Questions Addressed to the Editor.

ALBANY, N. Y., April 13, 1880.

EDITOR RHODES' JOURNAL:

Please inform me whether the banks and banking houses in the City of Boston are closed on the Commencement Day at Harvard College. I have heard that such is the case. J. H. R.

Ans. You have been correctly informed. The commencement day at Harvard University is not a holiday by virtue of any legal enactment, in consequence of which the banks would be required or authorized to close doors. But for many years it has been the usage to do no business on that day, and to make demand and give notice, &c., upon all commercial paper upon the day preceding, in like manner as in case of Sundays and the statutory legal holidays. All persons dealing with the Boston banks must take notice of this custom, and the Courts of Massachusetts have recognized the custom as a good one. See *City Bank vs. Cutter*, 3 Pick., 414.

KANSAS CITY, March 31, 1880.

EDITOR RHODES' JOURNAL:

A number of responsible gentlemen residing in this city are considering the possibility of organizing a banking institution under the name of The Kansas City National Bank. The organization, if effected, would be under the National Banking Act. Is there any law of New York State which prevents us from establishing a branch office in New York City? J. M. K.

Ans. The Kansas City Bank, if organized as you intimate, would stand related to the laws of New York State as a foreign corporation. As such it would be subject to the restraining laws of this State, whenever it should attempt to do a banking business in this State. It is presumable that the branch office in the city of New York would be opened for the purposes of discount and deposit. 1 R. S. (2d Ed.), 708, § 6-7, prohibits all corporations from keeping an office in this State for discount and deposit until they shall have been *severally and specially authorized* so to do. Furthermore, section 2 of Article 1, title 4, chap. 8, part 3 of the Revised Statutes (2 R. S., 458), provides that where, by the laws of this State, any act is forbidden to be done by a home corporation, without express authority, and such act is done by a foreign corporation, the latter shall not be authorized to maintain any action founded upon such act or upon any express or implied obligation arising out of such act. These provisions being in force, they are applicable to foreign National Banks as well as to other foreign corporations. If our correspondent wishes to guarantee himself and his associates against the penalty of these restraining statutes, he has only to apply in the regular method to the New York authorities, and he can obtain express authority to open a branch office of the Kansas City Bank for deposit and discount.

* Letters of correspondents are sometimes too long, or the point is not stated with sufficient clearness. In such cases the inquiries are re-written and condensed.

BUFFALO, N. Y. April 28, 1880.

EDITOR RHODES' JOURNAL:

Under the National Banking Act the President of a National Bank is elected by the Board of Directors from their own number. Is there any implied promise to pay him for his services, and can he recover for them?

PETER M. VERMILYEA.

Ans. No absolute rule is laid down whereby a president is entitled to payment for his services. Indeed, the presumption is that he is not to be paid. Sometimes the bank charter provides that the president's pay shall be determined by the board of directors. In such cases, if the directors do not fix his salary, it seems that he would be entitled to recover for his services where the performance of them so engrossed his time and attention as to materially interfere with his prosecution of other and private business. This, too, on the ground of an implied promise. But the nature of his services, and all the matters attendant upon his acceptance and incumbency of the office, would have part in a full consideration of his right to recover in any given case.

NEW HAVEN, CONN., April 11, 1880.

EDITOR RHODES' JOURNAL:

Please inform me as to the distinctive peculiarities of the famous medieval banks known as the Banks of Amsterdam, Hamburg, Venice and Genoa.

H. B. A.

Ans. Our correspondent forgets how many questions we have to answer in a few pages. Remembering this, he will pardon our brevity here. The final cause of the deposit banks, such as the banks of Amsterdam and Hamburg, was the worn and deteriorated state of the coinage, which, at that time, was a grievance of a magnitude which only those familiar with the commercial history of that period can realize. This evil is only less now because the circulation of coins is nearly dispensed with in Southern Europe. These deposit banks proved to be more useful than their projectors anticipated. The circulation of the ownership of the coins was found to be much more rapid and easy than the circulation of the coins. The wear and tear of the coins was saved, and they were more efficient in bank than out of it. And it was ultimately revealed, at Amsterdam, that the transfers and payments at the bank could proceed for scores of years after the specie had been removed. This, however, should have been well understood from the first establishment of the bank, for while the ownership of the deposits was changing every day, no one had an opportunity of verifying the fact of the amount as being actually in bank. Every man who accepted a credit in the bank took it upon his confidence in its administration. The money system, to this extent, thus resolved itself, by a sort of necessity, into a credit system. In the cases of the banks of Venice and Genoa, the capital of the bank consisted of a debt due from the republic to its citizens. The government took the money, and gave in its place an inscription on the books of the bank, bearing interest. The government returned the money immediately into the channels of circulation among its citizens, whilst the lenders of the money circulated the debt as a deposit in the bank. All the

large payments of this great commercial city were, for many centuries, paid in this fund, and the gold and silver coins were released for the purposes of the retail trade, the payment of foreign debts, and the foreign expenditures of the republic. The government of Venice dealt faithfully with the holders of stock in the bank, not only paying the interest punctually, but redeeming any amount which seemed superfluous, or beyond the demand of the public. This policy not only kept the bank fund at par with specie, but more than twenty per cent. above it. The bank was always open to further loans to the government, when such investment was in demand. The capital of the bank fluctuated in amount according to the wants of the people, and not according to the wants of the public treasury. Such is the alphabet of these banks.

EDITOR RHODES' JOURNAL:

PEORIA, ILLINOIS, April 8, 1880.

At an election of Directors of a National Bank, can a Director, who is a shareholder, vote as a proxy?
DIRECTOR.

Ans. It is well established that a director can vote as proxy at such an election. The law provides that "no officer, clerk, teller or bookkeeper of such association shall act as proxy." But the term officer does not include a director. A director, as such, is elsewhere in the National Banking Act sharply distinguished from the officer as such. In section 15 (5136), the Statute authorizes the "board of directors to appoint a president, vice-president, cashier and other officers." In another paragraph the Statute authorizes the board of directors to prescribe how "its directors shall be elected or appointed, and its officers appointed." In other clauses, also, this distinction between the director and officer is clearly taken. A director may therefore act as a proxy for a shareholder without invalidating the election.

EDITOR RHODES' JOURNAL:

RALEIGH, N. C., April 12, 1880.

What is the law in your State as to the liability of the stockholders of a State bank towards the depositors?
F. G. R.

Ans. It was provided in the original Free Banking Act, of New York State, that unless such liability was expressly recognized in the articles of incorporation of a State bank, the stockholders should not be individually liable to the depositors. When, however, the Constitution of 1846 was adopted, the seventh section of its VIIIth Article declared that the holders of stock of any banking association issuing any form of paper credits, to circulate as money, after January 1, 1850, should be individually responsible, up to the full extent of their respective shares, for all debts and liabilities of the said association, created after that date. The Courts held that this liability was *pro rata*. Therefore, in case of a deficit, each stockholder was liable up to the amount of his own stock, but not for the deficiency of those

stockholders from whom nothing could be collected. After the National system was established, the State banks were taxed to death. They now issue no paper credits of any sort to circulate as money; consequently, unless their articles of association so provide, their stockholders would not be held liable to the depositors at all.

BINGHAMTON, N. Y., April 18, 1880.

EDITOR RHODES' JOURNAL:

I am aware that when a bank has not funds enough to the credit of a drawer of a given check to pay it in full, it is not compelled to make a payment in part. I want to know whether the bank would be justified in making part payment?

J. W. W.

Ans. There is no authority on this point. Probably very few banks would ever try to exercise the right, if indeed it exists. Obviously, if it were exercised, the bank would be bound to indorse on the check the amount actually paid, and to return the check to the person presenting it. Without the indorsement of the partial payment, innocent persons might suffer from a belief that it was still good for its face value. The better rule, however, to save all mistakes and to prevent the confusion arising from the lack of uniformity in bank practices, would be, that if a bank cannot pay in full, it must not pay at all. In England, when a check-holder has a check which calls for a larger amount than the drawer's account, he sometimes pays in, and has placed to the drawer's credit, the amount of the deficiency. But the bank is not allowed to inform him as to this amount. He must ascertain this elsewhere.

HARRISBURGH, PENN., April 3, 1880.

EDITOR RHODES' JOURNAL:

Under the head of legal tender, to what amounts are the silver certificates, the silver dollars, and other subsidiary coin, respectively, receivable in payment of debts? CREDITOR.

Ans. Except a given contract provides otherwise, a silver dollar, containing 412 1-2 grains of silver, is a legal tender to any amount whatsoever. It is a curious fact, as resulting from recent conflicting legislation on the subject, that the well-known silver "trade dollar," which contains 420 grains of silver, and which has a greater intrinsic value than the silver dollar above mentioned, is not a legal tender for any purpose whatsoever. As to the silver certificates, these are not a legal tender for private debts. They are, however, receivable for taxes, customs and all public debts. The so-called subsidiary coin, *i. e.*, the half-dollar, quarter-dollar, twenty, ten, five and three-cent pieces, is legal tender for full payment in amounts of ten dollars and under. All Assistant Treasurers of the United States must exchange these for "lawful money" when offered in sums of \$20. If our correspondent will examine the law of June 9, 1879, he can satisfy himself fully on this matter.

EDITOR RHODES' JOURNAL:

BROOKLYN, N. Y., March 18, 1880.

I am still in a maze as to the amount of interest which the new interest law in this State allows on contracts entered into before Jan. 1, 1880, when this law went into operation. Will you enlighten me?

CHANCE READER.

Ans. The assumption is that the contract bears a date prior to January 1, 1880. Now, no matter how long this contract may have to run, unless it expressly provides for the payment of seven per centum interest, it will carry only six per centum after January 1, 1880. If the contract does call specifically for seven per centum, yet without any conditions appendant, it will then bear this rate until the principal sum is actually due, after which the said principal sum and the accrued interest will draw six per cent. If the contract promises seven per cent. until the whole of the principal is paid off and returned to the creditor, it will bear that rate until this condition is fulfilled. All other contracts, debts and dues of every description, will bear only six per cent. from and after January 1, 1880, even though they may have drawn seven per cent. up to that date. In any other imaginable case than those cited above, to exact more than six per cent. will subject the offender to all the penalties of usury.

EDITOR RHODES' JOURNAL:

NORWICH, CONN., April 17, 1880.

I am a bank paying-teller. Am I bound to make payment on a check the drawer of which has become deceased between the date of the check and its presentment? Suppose I knew of the death, or suppose not?

PAYING TELLER.

Ans. The proposition of law is that the death of a drawer of a check, before it is presented, operates as an absolute revocation of the power of the bank to pay upon the check. This proposition is based upon the theory that the title to the balance lying in bank to the credit of the drawer of the check, at the date of his death, becomes instantly vested in his legal representatives. Of course his own order, made while living, is not competent to withdraw from deposit what has ceased to be his own property. If the bank knew of the death, it would be liable to pay the whole amount of the check to the drawer's legal representatives, even though it had already paid the whole amount to the payee presenting. If the bank made this payment to the check-holder making the presentment, while in ignorance of the death of the drawer, it would doubtless be protected; but there is no rule to this effect.

BANKING AND FINANCIAL LAW.

Upon the effect of payment by Bank to Administrator of depositor where the latter subsequently appears alive, and claims the funds.

Three recent cases upon this point which have been before the Courts, have helped to settle this vexed question, although there is considerable conflict of opinion. In one opinion, that of Earl J., in the first case hereinafter cited, it is frankly said: "The question for our decision is not free from doubt; a decision either way would be confronted with some authority, and meet with some logical difficulties."

The position of the bank in such a case is one of great embarrassment, for if it does not pay to the administrator, it is liable to be sued and mulcted in costs, and with or without suit if it does pay, and the supposed deceased party subsequently appears alive, it is liable to have to pay again.

A statute relieving banks of unclaimed deposits of many years' standing would not on this account be undesirable.

Under the decision which we allude to hereinafter, no bank seems to be safe in paying to the representatives of an alleged deceased person, unless its counsel is satisfied that the Surrogate or Probate Court granting letters upon the estate of such alleged deceased person, had jurisdiction, and passed judicially upon the fact of the death of such person.

Indeed, in the case which we last cite, although from the peculiar state of facts presented in it, the decision might have been rested upon the law as applied to those particular facts, the Court went further, and distinctly held that a live person could not be deprived of his property through a grant of letters upon his estate by the Probate Court.

That the effect of these decisions should be thoroughly understood is therefore of great importance, as there is not a banking or savings institution in the land which may not be confronted with the question any day. We call attention:

1st. To the case of *Roderigas, Administratrix vs. The East River Savings Institution*, 63 New York Reports, 460.

*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.

In October, 1857, the intestate deposited with the defendant a sum of money, and soon afterwards, with his wife, left the country. In April, 1869, his wife's mother, who was also a creditor, upon sufficient formal proof to the Surrogate of the death of the man and his wife, and of other jurisdictional facts, was granted letters of administration upon his estate, and drew his funds from the bank.

In May, 1872, the plaintiff returned from Cuba to New York, and upon allegations and proofs that her husband actually lived until March, 1871, procured a revocation of the letters issued to her mother and a grant of letters to herself. She then demanded the funds, of the bank, and upon its refusal to pay, brought suit.

It is said by Judge Earl, at page 463, that so far as he could discover, the effect of the grant of the original letters of administration under such circumstances had never before been decided in this State.

It was held, however, that the decision of the Surrogate, with sufficient evidence to establish death, was a judicial determination, which was a protection to all persons acting in good faith by virtue of the letters granted by him. Three of the seven judges dissented.

2d. The next case, which was a suit brought by the wife individually to recover money deposited by her and drawn by her mother, as administratrix, is entitled *Roderigas vs. The East River Savings Institution*, and is reported in 76 New York Reports, page 316. The parties to this action were the same, except as aforesaid. The difference in the facts in the two cases, however, was important. It was proved that the Surrogate had signed letters of administration in blank and left them with his clerk, who filled them up and affixed the seal, and that the Surrogate himself never in fact saw the petitioner or had any actual knowledge of her petition. It also appeared that the petition alleged the death to the best of petitioner's knowledge, information and belief, without other proof. These facts were held sufficient to turn the scales the other way, and the payment to an administratrix, appointed under such circumstances, was held to be no protection to the bank. To use the language of the Court: "So to speak, here was an accumulation of weakness. The plaintiff was alive; the Surrogate never decided that she was dead; and the clerk even who issued the letters had no evidence that she was dead. I think that there was too much voidness in this proceeding to justify any court in sustaining it for any purpose whatever."

Brief allusion only is made to these two cases,* as they can readily be referred to in the books; but

* In the latter some interesting cases are cited, holding that at common law, if the person were alive, the letters upon his estate were a nullity.

Joachimssen vs. Suffolk Bank, 3 Allen, 87.

Allen vs. Dundas, 3 T. R., 125.

Griffith vs. Frazier, 8 Cranch, 9.

Media vs. Simons, 19 Albany Law Journal, 198.

3d. The third case alluded to has not as yet been reported, and space, a little more extended, will accordingly be given to it.

This was an opinion rendered by Judge Choate, March 29th, 1880, in the action of John Lavin *vs.* The Emigrant Industrial Savings Bank, brought in the United States Circuit Court for the Southern District of New York. The facts there were as follows: In July, 1865, and January, 1866, the plaintiff had made two deposits with the defendant of sums of money. He was then living at Cranston, R. I., and returned there after making such deposits. About a year after he went to California, leaving with a friend a trunk containing, among other things, his pass-book. When he left for California he expressed the intention of returning in five years, but nothing was heard of him until April, 1879, when he did return. By the laws of Rhode Island it is provided, that "if any person shall be absent from this State for the term of three years without due proof of his being alive administration may be granted upon such person's estate, as if he were dead."

The Probate Court in the County of Providence, R. I. January 25th, 1877, issued letters upon his estate to one John M. Brennan, which read: "You having been appointed by the Court administrator of the real and personal estate of John Lavin, absent from the State without due proof of his being alive," &c., &c. These letters and an affidavit of Brennan "that to the best of deponent's information and belief the said John Lavin is deceased" were presented to the New York Surrogate, together with a petition in somewhat different form, whereupon ancillary letters were granted, which recited, among other things, that the said John Lavin was dead. The affidavit presented the objectionable features of the papers in the second case of Roderigas (*supra*); but, strange to say, the petition itself contained a positive averment of the death of John Lavin, and nothing was shown inconsistent with the idea that the New York Surrogate examined and passed judicially upon the fact. The opinion is exceedingly interesting, strong and exhaustive; but, owing to its great length, being 99 pages of manuscript, the limits of our space forbid more than an abstract of the forepart of it, although the last dozen pages we give entire.

The Court holds that the case is not brought within that of the second case of Roderigas (*supra*), and that the Surrogate passed upon the question of the death of John Lavin upon competent evidence; that the letters were issued by him, and that in these respects, if there is no other fatal objection, the case is within the first decision of the Court of Appeals, which held the finding of death conclusive as against an alleged intestate, at least, as a protection to an innocent party acting in good faith in reliance upon the letters.

It further holds that in the first case of Roderigas (*supra*), it is clear that the point decided was that the Statutes of New York gave the Surrogate power to issue letters of administration in two cases: 1. Where the alleged decedent is in fact dead. 2. Where

the Surrogate judicially determines that he is dead; and also that such determination of the Surrogate is conclusively in favor of an innocent party who has, on the faith of letters so issued, dealt with the administrator and against the supposed decedent, though he was in fact alive.

And further that while that Court must follow and adopt this same construction of the Statutes of New York, the question whether by these statutes, and the proceedings taken under them, the plaintiff has been "deprived of his property without due process of law is one on which the decision of the State Court is not controlling." Fourteenth Amendment of the Constitution:

Further, that prior to the adoption of this amendment there was no constitutional inhibition upon the States which prevented them from depriving persons of their property without due process of law, except such as may have been contained in their own constitutions.

That it was early held that the Fifth Amendment to Constitution was restrictive only on the powers of the Government of the United States, and not upon those of the States. (*Barron vs. Mayor, &c.*, of Baltimore, 7 Pet., 243). That there can be no doubt that if the plaintiff is deprived of his property by the decision of the Surrogate that he is dead, made binding and conclusive upon him by act of the Legislature, he is deprived of his property by the State within the meaning of the Constitution. The prohibition clearly extends to the action of the State through any or all of the departments, legislative, executive or judicial.

That principal question, however, still remains whether the plaintiff in this case, who, by the Statutes of New York, as construed by its courts and by the proceeding had under those statutes, would clearly be deprived of his property; that is, of his claim against his debtor, the defendant, would be so deprived of it by due process of law. If he would not be he has no ground of complaint in this court. Considers due process of law, and cites: (*Walker vs. Saunnet*, 92 U. S., 92; *Kennard vs. Louisiana*, 92 U. S., 480; *United States vs. Cruikshank*, 92 U. S., 554; *Bank of Columbia vs. O'Riley*, 4 Wh., 235; *Murray's Ex'r. vs. Hoboken Land and Improvement Company*, 13 How., 272; *Taylor vs. Porter*, 4 Hill, 145; *Matter of Albany Street*, 11 Wend., 149; *Bloodgood vs. Mohawk and Hudson Railroad Company*, 18 Wend., 59).

That these authorities would seem to be more than sufficient to establish the proposition that it is not competent for a State to pass a law, declaring a judicial determination that a man is dead, made in his absence and without any notice to or process issued against him, conclusive for the purpose of divesting him of his property and of vesting it in an administrator for the benefit of his creditors and next of kin, either absolutely in favor of them only, or of those who innocently deal with such administrator.

That the immediate and necessary effect of such a law is to deprive him of his property without any process of law whatsoever as *against him*, although it is done by process of law against other people—his next of kin to whom notice is given.

That such a statutory declaration of estoppel by a judgment to which he is neither party nor privy, which has the immediate effect of divesting him of his property, is a direct violation of this constitutional guaranty. No such thing is known to the law as a judgment, to which a person is neither a party nor a privy, being conclusive against him.

The Court further considers effect of judgments in Admiralty *in rem*, and upon the necessity for service of process or notice (*Walden's Lessees vs. Craig's Heirs*, 14 Pet., 154; *Shelter vs. Tiffin*, 6 How., 186; *Boswell's Lessees vs. Otis*, 9 How., 300; *Natum vs. Johnson*, 24 How., 203; *Webster vs. Reid*, 11 How., 460; *Bloom vs. Burdick*, 1 Hill, 139; *Thompson vs. Tombe*, 2 Pet., 169), this doctrine, as applicable to what are called jurisdictional facts, is recognized by the Courts of New York. (*Dyckeman vs. Mayer*, 5 N. Y., 434; see also *In re Griffith*, 18 N. B. R., 510). These authorities show very clearly what are the essentials of due process of law in reference to any judicial proceeding.

It further holds that, tested by these authorities, these proceedings, by which, if they are valid, the plaintiff has been deprived of his property, cannot be considered due process of law. Without any process whatever, so far as he is concerned, and without notice to him, actual or constructive, without his having any opportunity to be heard in defence of his title, and by force of a decree or decision of a court thus made which is declared by statute to be conclusive of the fact found that he is dead, the title to this property which belongs to him is transferred to another. The fact that other persons, his next of kin, had notice, is immaterial. Their interest in the matter is adverse to him, and if the proceedings were by due process of law as to them, that cannot make them so as to him. In fact, the whole proceeding is based on the idea that there was no longer any such person as this plaintiff, consequently the statutes made no provision whatever for notice to him. He was not in any sense a party to the proceeding, and according to the principles of the common law the decision was not binding upon him.

The Judge proceeds to distinguish the case from a proceeding *in rem*., also from a sequestration of property by attachment where constructive notice is given to the owner by publication. He also considers the transfer of title to property under what is known as the police power of States exercised usually under statutes of the character which provide for the sale of land for non-payment of taxes and the like, and distinguishes such cases.

He also considers the question whether the absentee can be es-

topped either by estoppel *in pais* or by record, and decides in the negative, because the party has made no representation of fact which others are justified in acting upon, has received no notice, actual or constructive, without which no man can be deprived of his property by process of law, and that "the whole proceedings relating to administration upon his estate are void, because based upon the assumption that the man is dead, whereas he is in fact alive."

The rest of the opinion we give in the exact language of the Court:

There is another ground, however, on which the doctrine of equitable estoppel clearly cannot avail to sustain this proceeding. It is the established rule of law that no person can avail himself of the declarations or conduct of another person as an equitable estoppel or estoppel *in pais*, unless those declarations or that conduct was in fact known to him at the time he parted with value or otherwise altered his position in reliance thereon, for the very obvious reason that the ground and the only ground of estoppel is that the party was influenced by the declaration or conduct to part with value or otherwise change his course of action; and nothing can be clearer than that declarations or conduct of one person, in order to influence the action of another, must be known to him. (*People vs. Bank of North America*, 75 N. Y., 561.) Now the rule declared by the statute in question is that the innocent third person who pays out his money on reliance upon letters issued by the Surrogate regular in form, provided the Surrogate determined judicially the fact of death, can in all cases claim the benefit of an estoppel by such a record against the supposed decedent. And the law in its application is not limited to cases in which the decision of the Surrogate is founded on evidence as to the conduct or the voluntary acts of the supposed decedent, as for instance his leaving the State and remaining away without communication for such length of time as has been held to raise a presumption of death for certain purposes. The statute applies to all cases whatsoever in which upon any competent proof the Surrogate determines that the man is dead, as, for instance, where the evidence is that he shipped on board a certain vessel which was lost at sea, or that he was killed in a railroad disaster or shot in the streets, shortly before the petition for letters was filed. It is obvious that there are very many states of proof wholly without regard to any voluntary action of the supposed decedent which may have resulted in the decision of the Surrogate. All that a person relying on the letters, therefore, can be held to know or be informed of by the same being communicated to him, is that upon some competent evidence the Surrogate has found the fact of death. This clearly is not in itself any knowledge of any conduct on the part of the supposed decedent. There is not, therefore, the essential element of an equitable estoppel, that the party relied on the conduct of the party, that is, upon his voluntary and unexplained absence, for that is not implied in the

Surrogate's finding, even if such absence would in any case work an estoppel. If this statute were limited to the single case of a person who had left the State and not been heard from for a certain length of time, then there would be some force in the argument that a person relying on the letters was influenced by his knowledge of that fact, because in that case the letters could not properly issue except on proof of that fact to the satisfaction of the Surrogate. There is, therefore, no ground for holding that the rule of the statute can be defended on the principles of estoppel *in pais*.

As to this particular case, there is no evidence that the defendant knew or relied on anything but the New York letters. There is no evidence that the defendant knew or inquired upon what evidence Lavin was found by the Surrogate to be dead, and if they had seen the proofs exhibited to the Surrogate they would not have given any information as to any voluntary act or conduct of the plaintiff, except that he was absent from Rhode Island without proof of his being alive. Therefore, for the reasons above stated, the defendant cannot be held to have been influenced by the plaintiff's alleged conduct in absenting himself from the State for so long a time without communication. And further discussion of the doctrine of equitable estoppel, as applied to the case, is unnecessary.

The position taken that all persons hold their property subject to existing laws, must be conceded, with some very important limitations. Unquestionably, all persons within the jurisdiction of the State hold their property subject to restriction as to its use by the service, on the part of the State, of the police power already referred to, and in this sense subject to the laws of the State, whether enacted before or after the title was acquired. But the laws must be valid and constitutional laws. The State cannot take away from property the essential character of property. It cannot, under cover of the exercise of the police power, make property already acquired, or thereafter to be acquired, subject to be taken away from its owner without due process of law. It could not pass a general law providing, as to all after-acquired property, that it should be held on the tenure or condition, that in certain prescribed cases, it should be taken from the owner and given to another without any form of judicial proceeding—without notice, or an opportunity to be heard. A construction which would allow this, would, in effect, allow a State by law to abrogate, within its limits, the institution of property altogether. And although it is true that that which a man has not cannot be taken from him, yet the necessary implication of the amendment is that "*property*," as generally understood, with all its necessary incidents, shall forever be preserved within the limits of the Union.

Nor can it be claimed that this particular statute can be sustained as not depriving persons of their property without "due process of

law," on the ground that it is a well-recognized and defined case in which, from necessity and by long usage anterior to the establishment of the constitution, process other than judicial and wanting in the essential parts of *actor*, *reus*, *judex*, regular allegations, opportunity to answer, and a trial according to some settled course of judicial proceeding, has become "due process of law"—as was held in respect to the executive warrant against a tax collector—for, on the contrary, this statute, as construed by the Court of Appeals, is conceded to be a novelty in legislation. This mode of depriving a living person of his estate by holding him concluded, by a Surrogate's decision, that he is dead, has no support elsewhere in the authority of the English or American Courts, so far as is shown. It has been, by Courts of the highest authority, declared or treated as a legal impossibility. (*Joachimssen vs. Suffolk Savings Bank*, 3 Allen, 87; *Allen vs. Dundas*, 3 T. R., 125; *Griffith vs. Frazier*, 8 Cranch., 9; *Melia vs. Simmons*, 45 Wisc., 334; *Morgan vs. Dodge*, 44 N. H., 259; *Duncan vs. Stewart*, 25 Ala., 408; *McPherson vs. Cauliff*, 11 S. & R., 422; *Bolton vs. Jacks*, 6 Robt., 190; see also Am. L., page 212.)

Every restriction on the power of the States, contained in the national Constitution, may be expected in some instances to involve some hardship. And in this case, it may be, that the protection in this way of an innocent person who had, under a mistake as to the fact, lost his money by paying it to a person having no authority to receive it, might, in a certain sense, be considered humane; and if it were lawful, and infringed on no one's rights, proper and commendable; but these restrictions upon legislative and judicial power are imposed because, whatever hardship may attend their application in particular instances, the principle of personal liberty embodied in them, the preservation of private rights against infringement, except with the consent of the owner, or "by due process of law," is of paramount importance and vital to the welfare of the community. The present case seems to me to be fairly within the letter and spirit of the constitutional guaranty.

For these reasons it must be held that the proceedings taken under the laws of New York, which are set up as justifying the defendant's refusal to pay to the plaintiff the amount of his deposits, are void as to him, because they would deprive him of his property without "due process of law."

It is also claimed that if the New York letters are void, the payment to the administrator may be justified under the Rhode Island letters on the principle that, though a foreign administrator cannot sue here without obtaining ancillary letters, yet a payment to him is a good payment, and discharges the debt. (*Parsons vs. Lyman*, 20 N. Y., 103). But it is clear that the Rhode Island letters have no greater validity than the New York letters. The Rhode Island Statute undertakes to do directly what the New York Statute aims to

accomplish by the more indirect method of declaring a judicial decision conclusive against a person not a party to it. In Rhode Island the Court does not go through the form of deciding that the person is dead, but conceding that he is only absent, distributes his estate "as if he were dead," without any notice or process upon him whatever. I do not see how any respectable argument can be made that this is not depriving him of his property without due process of law, or how it can be necessary, or reasonably proper, for the proper government of the persons and the property within the jurisdiction of the State. That a State may make a law for taking care of abandoned estates, with proper provisions for notice to the absent or unknown owners, will not be denied, but this is not such a law. Moreover, this property was not in Rhode Island, nor subject to its jurisdiction. It was in this State. The fact that the pass-book happened to be there is immaterial. It was mere evidence of the indebtedness, and not a negotiable security for it. For these reasons the Rhode Island letters cannot avail the defendants.

I think it may be doubted whether the Rhode Island letters were such letters as are contemplated by the Statutes of New York as original letters of administration, which authorize the issue of ancillary letters here at all, because they do not purport to be letters of administration on the goods and estate of a *deceased person*. But as this point has not been argued by counsel, I have preferred not to put the decision of the case on this ground, and its further consideration is unnecessary."

This last decision is very sweeping, but does not go further than the Ch. Justice of the N. Y. Court of Appeals seemed inclined to, as did also two of the associate Justices of that Court. The effect of these decisions will probably be to create a greater care by the various Probate Courts in granting letters upon the estates of absentees, but the banks should be warned of the peril they are exposed to in paying funds to the representatives of supposed deceased persons, where the fact of death is at all uncertain.

AS OTHERS SEE US.—The following extracts from business letters recently received at this office are gratifying indications that our work is appreciated:

[From the *Newport Savings Bank, Newport, Maine.*]

I am much interested in the Law Department of your *Journal*, which I think is well worth the price of the whole to any bank man. J. W. HOBART.

[From F. E. Richards, *Bank Examiner, Rockport, Maine.*]

I am a subscriber to your *Rhodes' Journal of Banking*, and it is replete with valuable information for all interested in banks and financial subjects.

[From a *Bank President in Iowa.*]

In this region we have reason to believe that *Rhodes' Journal* tells the truth regarding banking and financial matters, and for that reason have faith that its mining information will be equally reliable. * * *

[From a *Correspondent at Richmond, Virginia.*]

Glad to see that *Rhodes' Journal* speaks its mind on the Re-adjustment question. Dishonesty should be soundly rebuked, no matter what form it assumes. It is a real pleasure to note that your publication fairly represents the banking interests of the whole country; do not allow anything which savors of sectionalism to mar your pages. The last number of the *Journal* was worth more to me than the subscription price several times over. * * * Banker.

[From the *National Branch Bank, Madison, Indiana.*]

I am exceedingly pleased with your articles on banking and banking interests, your reliable mining information, and the department "Banking and Financial Law." Your plan of giving your subscribers a "Weekly Letter," without extra cost, in connection with the Monthly Magazine, is a first-class idea. Keep it condensed down to the smallest possible space, as bank men only want the gist of financial matters in every-day transactions. Your Monthly, *Rhodes' Journal*, records all that is of value for future reference. D. G. PHILLIPS, Cashier.

NOTICE TO SUBSCRIBERS.—THE BANKER'S YEAR BOOK, now in course of preparation, will not be ready before the 1st of July next. It will contain a carefully-revised and complete list of Banks and Bankers in the United States and Canada, arranged on a new and practical plan, besides much other matter of positive value to the Banker. We expect to make it the best reference-book for Bankers ever published.

The price of the YEAR BOOK as originally announced was \$3; but owing to very satisfactory advance orders, and believing that a large edition will be sold when issued, we have decided to put the regular price down to \$2, and, besides, make a further reduction to \$1 in favor of all yearly subscribers to *Rhodes' Journal of Banking*.

Subscribers to the *Journal* will please not remit for the YEAR BOOK until it has been received. If you wish the book sent when ready, please notify us promptly.

As our plan is to have all subscriptions expire with the calendar year, those who are subscribers for the unexpired part of 1880 will be entitled to receive the YEAR BOOK for \$1.

Your obedient servants,

BRADFORD RHODES & Co.

BANKING AND FINANCIAL NEWS.

The Stock Speculation has received a well-defined black eye in the last few weeks, and among those who have witnessed the performance none are sorry except those financially interested. No one supposes that the real substantial improvement that is going on all over the country will be injured by the set-back which speculation has received. On the contrary the country will be benefitted by what has occurred. As to the Stock Exchange markets the decline of the last three weeks there amounts to not less than \$50,000,000, and makes prices more nearly representative of values present and prospective. There is no falling off in the earnings of the railroads; on the contrary, the gross receipts show large gains, which, even with the increase of operating expenses, make a handsome percentage of gain in net receipts.

Railroad Items.—At a special meeting of the Pennsylvania Railroad Directors, held in Philadelphia, May 5, George B. Roberts was elected a member of the Board of Directors and President of the company, to take effect on June 1, upon the retirement of Colonel Scott. A committee of five members of the board was appointed, to prepare and submit, at the next meeting, a revised organization for the management of the affairs of the company.

The late report of the Lake Shore and Michigan Southern shows that the company owns 1,025 miles of road and leases 152 miles. The funded debt on January 1 amounted to \$35,915,000, an increase of \$415,000. The gross earnings were \$15,271,492, of which \$11,250,000 were from freight and \$3,000,000 from passengers, an increase in the gross earnings of 9¼ per cent. The operating expenses amounted to nearly \$9,000,000. The net earnings were \$6,337,000, an increase of over 15 per cent., and more than \$1,000,000 larger than the average for the past ten years. Six and a half per cent. dividends were paid last year. The road was operated for 58¼ per cent. of the earnings, the lowest percentage ever reached.

Taxing Savings Banks.—At least a few managers of savings banks in this State have seen it to be a part of their duty to protest against the crude and pernicious legislation which threatens the system in New York. The various devices put forward at Albany this session, regarding these institutions, partake of the same nature of measures which have many times before menaced the growth and well-being of the system. And so long as present conditions exist, a repetition of these unwise measures may be expected just as often as the Legislature meets. It is the plain duty of every savings bank officer and trustee to be not only personally concerned, but deeply interested in all legislation affecting the institutions committed to their care. We have advocated the idea, and believe it to be right, that an association composed of officers and trustees should be organized and ready for work, in this as well as in every State, charged with the duty of warding off and protecting the system against assaults and unjust measures, from whatever source they may come.

It is a cause for gratitude that there are those with enough interest in the savings bank system to stand up for its defence. For some two years past a half-fledged, yet self-seeking official, has kept up a constant tirade against the banks regarding the cost of management. How admirably he was ignored by those in charge of the banks is well known. How fallacious his assertions, and what a hollow sham he has proven himself to be, is demonstrated in the article, "Management of American and English Savings Banks," published in this number of the JOURNAL.

The unjust proposition to tax deposits in these institutions* was warmly advocated

* Defeated in the New York Assembly May 6.

by the same official (Acting Supt.) referred to above. We do not know that his advocacy had any weight with the measure, *pro or con*, but it furnishes one more footprint of his maladministration, now happily ended. An interesting letter on the subject of taxing deposits has been written to a member of the Legislature by Col. Harris G. Rodgers, Treasurer of the Binghamton Savings Bank, from which we are permitted to make the following summary:

"The Legislature has no moral right to tax surplus or deposits invested in United States securities, such investments being exempt from all taxation by the supreme law of the land. The general government taxed savings deposits as a war measure, but never any deposit under \$500, and always exempting deposits invested in United States bonds. Savings bank officers are, under our laws controlling investments, virtually compelled to invest largely in United States bonds at a premium, resulting in an aggregate for all the banks of \$120,000,000 at par, which pay on their cost less than 4 per cent. per annum. Is it wise or just for the State to tax them directly or indirectly?

"Under the provisions of a law of this State, passed May 9th, 1867, exempting from taxation surplus invested in United States securities, this bank, by resolution of the trustees, August 5th, 1879, invested its surplus in United States 4 per cent. bonds to the amount of \$31,000. We have deposits also invested in United States bonds to the amount of \$94,000.

"We have awaiting investment over \$80,000 in cash, which is deposited in four of our city discount banks. We ought not to be taxed on this money, for it is proposed to tax deposits in national banks, which would practically tax the same money twice.

"The United States Government now taxes savings bank deposits one-half per cent. per annum on the excess above \$2,000 of each deposit, unless the bank holds United States bonds for an amount equal to such deposits. Deposits in savings banks, if they are to be taxed, should, in my opinion, be treated as personal property, and taxed only as other personal property is taxed. What fairness is there in taxing the money or deposit of a workingman or woman, old or young, and allowing by common consent live stock, farming implements, household furniture, ornaments, etc., to go *untaxed*? This bank has on deposit about \$617,000 due to 3,314 depositors (averaging \$186.22 each). One thousand six hundred and forty-seven of these have each \$50, or less, to their credit; four hundred and forty-four have between \$50 and \$100; four hundred and fifty-six have between \$100 and \$200; two hundred and thirteen have between \$200 and \$300; one hundred and twenty-four have between \$300 and \$400; ninety-four have between \$400 and \$500; two hundred and one have between \$500 and \$1,000; one hundred and six have between \$1,000 and \$2,000; twenty-one have between \$2,000 and \$3,000, and eight between \$3,000 and \$5,000.

"Our largest deposit belongs to an insane woman. The others are trust funds for minors, deposited by guardians. None of them represent capitalists. Why should the State single out such deposits as ours for special taxation? It is against the teachings of all previous legislation in this State, which has fostered and encouraged the accumulation of small deposits from all classes of its citizens, resulting in great good to more than eight hundred and seventy thousand depositors, now representing \$319,000,000 of deposits, averaging \$389 each; \$119,985,590 being invested in United States bonds at par. No savings bank can receive over \$3,000 from one person at one time, or allow any account to exceed \$5,000.

"The legal interest being 6 per cent., and investments being largely in 4 per cent. bonds, but few of our savings banks can pay depositors more than 4 per cent. per annum.

"The bill in the Assembly is objectionable in form, as it calls for the actual averaging and classifying of every open account on the books of a savings bank, and also those accounts that have been closed during the current year. This work is to be done during the month of January, in which month the annual report to the Bank Department must be made, and interest computed for each depositor. It is practically impossible for the banks to comply with the law. If this law is to pass the Legislature, why not take the balances as they stand on the first day of July or January in each year, when all the banks draw off their balances, and tax them as proposed?

"Either date would be a fair average of deposits in any savings bank in the State. This system of averaging an account for a year would result in reducing the tax on

large sums on deposit for part of a year. For instance, \$500 for six months would equal \$250 for a year; \$2,000 for three months would come in the \$500 class, &c., &c. It would be more equitable to exempt small deposits and tax all above the amount agreed upon a certain fixed percentage.

"If savings deposits must be taxed, the plan adopted by the general government of taxing daily balances, exempting deposits up to \$500, and all invested in United States bonds, is the more practicable and just, viz.: 'Savings banks shall be exempt from tax on so much of such deposits as they have invested in securities of the United States, and on five hundred dollars of savings deposits, and nothing in excess thereof, made in the name of and belonging to any one person.'"

The Sacramento Savings Bank, of Sacramento, Cal., is retiring from business. The officers have abundant assets on hand, with which they are now paying their depositors in full, with a dividend of 6 per centum and an extra dividend of $4\frac{1}{2}$ per centum.

The Marshalltown Bank, of Marshalltown, Iowa, has been reorganized with a board of seven directors, composed of some of the most substantial citizens of that place, and become incorporated as a State bank, with a paid-up capital of \$50,000. This bank, during the two years of its existence as a private corporation, succeeded in gaining the confidence of the community where it is located, and is doing a paying and rapidly increasing business, as it deserves.

B. F. Allen Acquitted.—At Chicago, May 5, the jury in the case of B. F. Allen, ex-President of the suspended Cook County National Bank, who was charged with embezzlement, returned a verdict of not guilty. They had been out fifty-one hours, and during the greater part of the time stood eight for acquittal and four for conviction. It is said that Allen will be tried on another indictment.

Foreign Capital in New York.—Agents of the foreign banks appear to be pleased with the action of the Governor in vetoing the tax bill. They have all resumed making loans, and while the Bank of Montreal agency does not solicit business, it accepts what comes to it. It appears to be the general opinion among the agents that if any tax would be laid upon foreign capital at the present session of the Legislature it would be in the shape of a license for doing business in New York.

A Faithful Clerk.—The name of John Laub appears in the "Record of Deaths" in this issue of the JOURNAL. He was the oldest clerk in the U. S. Treasury at Washington, having served 43 years, and was only absent from his post five days in that period.

Mr. Laub never allowed any person, not even the Secretary himself, to examine his books; but if there was ever an inquiry he would examine them himself, and read their contents to the inquirer. He was neatness itself, and wrote a plain round hand. He loved his books as if they were human, and kept them wrapped carefully in oil-cloth, when not in use, but when compelled to take them from their case, he would handle them like glass. He became a machine, and had he been transferred to any other duty would have been absolutely useless. He appeared at his desk at the same hour every morning, and went through the same routine every day. He walked to the department from his house and returned always by the same route, and his appearance at the same locality at the same moment each day was as regular as time itself. During his last illness he suffered much pain and anxiety because his work was neglected, and for fear some other person would touch his books, and relief was given him only by an order from the First Comptroller that they should not be disturbed.

The Philadelphia Mint.—The extension of the Philadelphia Mint—says the "American"—"which is asked for by our local Board of Trade, seems to be needed by the exigencies of the public service; for while the Government has numerous assay offices and branch mints elsewhere, the lion's share of the work of assay and coinage always falls upon the establishment at Philadelphia. The reason is that the latter is and always has been the best organized, and most thoroughly prepared, the most satisfactory and efficient in its working, and the cheapest in its cost of them all."

Banking News.—An exchange says: "RHODES' JOURNAL OF BANKING gives more bank news and a clearer insight into financial subjects than any other publication we know of." That is precisely the aim of the journal so kindly referred to, and the publishers mean to keep it up to that standard.

Condition of Massachusetts Savings Banks.—The report of the Massachusetts Commissioners of Savings Banks shows the amount of deposits October 31, 1879, to have been \$206,378,709, a reduction of about \$3,000,000 from the previous year. There was an increase in open accounts of 1,304, but a slight decrease in the average amount of the accounts, which was \$305.50. The amount deposited during the year was \$23,486,903, being \$1,276,566 less than the previous year. The report shows a tendency in the change of investments toward United States, State and municipal bonds and other public funds. This is due to the proved insecurity of many other investments, such as stock and railroad bonds, which in times of depression shrink disastrously, and the result shows that the managers of the banks have learned wisdom and do not mean to be caught again. The average dividends of the savings banks the past year were 3 and 68-100 per cent. In some cases the banks have paid as high as five per centum.

Oppressive Taxation.—The Legislature of New York (like the Legislatures of other States, perhaps,) seems determined to place an oppressive tax on thrift by taxing the deposits in savings banks. The proposition to tax the deposits of savings banks contemplates an exaggeration of inequality which would put an enormous pressure upon those least able to bear it, and from whom it is both unjust and inexpedient to require it. To exact a tribute of $\frac{1}{4}$ of 1 per cent. on the savings of the poor and industrious, upon laboring men, upon widows and orphans, would be a positive injustice, besides it would act as a direct discouragement to thrift.

This pernicious bill was defeated in the Assembly, May 6, though we are assured there will be an effort to revive it at no distant day.

Exit Lamb.—An apology is due our readers, especially outside the State of New York, on account of occupying so much space during the past year or more in referring to the doings of New York's Acting Bank Supt. We had no faith in him before he went into the Department, and not a whit more when he was made deputy under Mr. Ellis. When in the course of events he was left in full charge of the office as Acting Supt. we were disposed to forget the man, and look hopefully to his official acts for good results. But in this hope disappointments came in quick succession. Can an evil tree bring forth good fruit? Some of his most flagrant acts have been referred to in the JOURNAL from time to time, and now that he is out of office, it might be both interesting and useful to have a calm and unbiased account of his administration left on record. In one thing Mr. Lamb has been abundantly successful, and that is in securing a great many flattering notices in the newspapers. It will be remembered that early in the year he published a circular, entitled "*The Bank Department—Two Years' Work and the Results*," and finished up the recital of his wonderful works with a long list of "*Opinions of the Press*." But even this extraordinary effort, added to the host of other circulars and pronouncements with which he had flooded the Savings Banks and fed the press during the past two years, did not suffice to save him. On the 13th ultimo, the New York Senate by a unanimous vote confirmed Hon. A. B. Hepburn as Superintendent of the Bank Department. The depositors, the officers and trustees, in fact all interested in the prosperity of the Savings Banks are to be congratulated on this change.

Handicapped as these institutions have been by the conduct of the department these two years past, yet they have, through the wise counsels of their managers, not only held their own, but have gained considerably in strength, thus giving abundant evidence that the depositor class have abiding faith in those who have built the system up to its present proportions, and will not listen to the idle and self-seeking prattle of an injudicious State official.

Our Silver Coins.—Our silver coinage seems just now to be in a very anomalous condition. We have at present two silver dollars in circulation; one containing 412 $\frac{1}{2}$ grains, which by act of Congress passes for \$1; the other containing 420 grains, and worth only 90 cents; yet they are both pretty generally accepted by retail dealers

as the equivalent of a gold dollar. The House Committee on Coinage has reported a bill directing the Secretary of the Treasury to recall the trade dollars and recoin them into legal tender dollars, and also prohibiting the further coinage of the former. There have been nearly \$36,000,000 in trade dollars coined, of which something over \$27,000,000 have been exported.

Michigan Savings Banks.—We present herewith a table showing the condition of Michigan Savings Banks at close of business April 5th, compiled from sworn reports made to the State Treasurer, for copies of which we are indebted to the Deputy State Treasurer Hon. Charles H. Hodskin.

These banks are obliged to report quarterly, in accordance with sections 18, 19, and 67 of the General Banking Law as amended in 1871.

A comparison shows a slight gain in the totals over the previous quarter's transactions. The amount due depositors at end of quarter, January 5, was \$7,233,440.63, against \$7,490,382.06, a gain of \$256,941.43.

The State Savings Bank of Adrian, which has been in liquidation since May, 1878, has since previous report paid its depositors in full, and has a balance on hand of \$752.52.

RESOURCES.

Loans and Discounts.....	\$4,769,374 50
Bonds and Mortgages.....	1,319,339 62
Overdrafts.....	2,179 78
Real Estate.....	288,846 87
Due from banks & bankers..	895,678 31
Unpaid Stock.....	5,000 00
Expenses.....	31,685 16
Revenue Stamps.....	2,435 60
Furniture and Fixtures.....	33,629 15
U. S. bonds.....	465,230 15
Other bonds.....	495,507 17
Cash Items.....	38,960 40
Cash on hand.....	714,482 48
Interest Account.....	258 62

\$9,052,607 79

Total for previous Quarter..

Ending January 5..... 8,797,904 99

Gain..... \$254,702 80

LIABILITIES.

Capital.....	\$1,155,000 00
Surplus.....	132,506 77
Due other Banks.....	131,123 67
Due Depositors.....	7,490,382 06
Profit and Loss.....	65,073 31
Dividends unpaid.....	2,366 50
Other Liabilities.....	76,155 48

\$9,052,607 79

Total for previous Quarter

Ending January 5..... 8,797,904 99

\$254,702 80

Greenbacks Scarce.—A scarcity of legal-tender notes is complained of in New York, as well as in other Eastern cities. Recently a case occurred where a gentleman wishing to make a tender under legal advice of the sum of \$113,000, which in gold would weigh about 500 pounds, had great difficulty in getting together the requisite greenbacks, and only procured them, finally, under a promise to return them immediately.

Holders of U. S. Bonds.—The books of the United States Treasury show that the savings banks of Massachusetts and New York, and William H. Vanderbilt own one eighth of the entire bonded debt of the United States; and, so far as can be ascertained, more than one-half of the national debt, all of which is non-taxable, is held by New York and New England capitalists.

The National Bank Note Circulation.

Statement of the Comptroller 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 May 1, 1880, and amount remaining on deposit at latter date.

STATES AND TERRITORIES.	Legal-Tender Notes Deposited to Retire Nat'l B'k Circulat'n since June 20, '74.				
	Additio'n iss'd since J'ne 20, '74	For re- dempt'n of notes of liquidat'g banks.	To retire circulat'n und'r Act J'ne 20, '74	Total De- posits.	Leg'l t'd's on deposit with U. S. Treasurer at date.
Maine.....	\$1,461,180	\$317,000	\$600,000	\$917,000	\$210,811
New Hampshire.....	681,865	72,997	55,800	128,797	35,160
Vermont.....	1,699,310	174,097	1,099,340	1,243,437	123,458
Massachusetts.....	20,358,420	234,800	7,562,300	7,787,100	1,352,468
Rhode Island.....	1,717,710	82,350	870,385	902,735	160,952
Connecticut.....	2,465,360	65,350	1,911,330	1,976,680	589,751
New York.....	20,690,505	2,163,878	23,457,231	25,621,109	5,723,723
New Jersey.....	1,712,185	241,660	1,562,220	1,698,940	407,181
Pennsylvania.....	10,700,590	1,281,426	6,631,321	7,912,747	1,478,481
Delaware.....	232,275	.....	.....	.....	.....
Maryland.....	1,274,810	166,900	1,646,380	1,812,980	40,105
District of Columbia.....	456,000	422,664	458,000	880,724	65,375
Virginia.....	800,500	915,369	907,510	1,822,879	291,521
West Virginia.....	163,810	731,060	319,185	1,060,245	155,450
North Carolina.....	1,235,660	128,200	1,012,585	1,140,785	169,219
South Carolina.....	90,700	.....	953,380	953,380	30,125
Georgia.....	470,850	287,725	437,675	725,400	87,960
Florida.....	45,000	.....	.....	.....	.....
Alabama.....	207,000	90,000	139,500	229,500	116,933
Mississippi.....	.....	.....	.....	.....	306
Louisiana.....	1,284,610	650,750	2,099,250	2,750,000	191,418
Texas.....	251,100	10,000	229,340	239,340	306
Arkansas.....	144,000	.....	144,000	144,000	1,872
Kentucky.....	3,685,430	629,867	1,504,933	2,181,800	420,430
Tennessee.....	641,370	370,401	533,859	904,290	196,261
Missouri.....	767,260	998,510	3,742,390	4,740,900	818,010
Ohio.....	2,749,820	1,583,754	3,077,887	4,661,641	1,006,991
Indiana.....	3,238,180	1,232,097	6,298,483	7,580,580	2,287,924
Illinois.....	2,541,065	1,754,934	6,447,946	8,202,580	1,008,448
Michigan.....	2,034,910	364,500	2,300,395	2,664,895	558,811
Wisconsin.....	735,530	653,860	1,013,439	1,667,299	453,727
Iowa.....	1,474,900	811,669	1,554,955	2,366,624	420,708
Minnesota.....	1,017,800	420,095	1,316,445	1,736,540	253,508
Kansas.....	147,600	781,721	190,550	972,271	244,111
Nebraska.....	67,500	45,000	233,080	278,080	49,985
Nevada.....	.....	.....	.....	.....	2,008
Colorado.....	482,400	138,083	149,400	287,483	25,847
Utah.....	134,900	161,181	198,800	357,991	18,612
Montana.....	84,600	85,300	45,000	130,300	45,208
Washington.....	135,000	.....	.....	.....	.....
Dakota.....	171,000	.....	.....	.....	.....
New Mexico.....	90,000	.....	.....	.....	.....
California.....	477,000	.....	.....	.....	.....
Legal tenders deposited prior to June 20, 1874.	.....	.....	.....	3,812,675	.....
Totals.....	\$38,799,685	\$18,016,908	\$80,662,414	\$102,492,997	\$19,126,740

JOHN JAY KNOX,
Comptroller of the Currency.

STATEMENT of the Comptroller of the Currency on May 1, 1880, showing the amounts of National Bank Notes and of Legal Tender Notes outstanding at the dates of the passage of the Acts of June 20, 1874, January 14, 1875, and May 31, 1878, together with the amounts outstanding at date, and the increase or decrease.

NATIONAL BANK NOTES.

Amount outstanding June 20, 1874.....	\$349,894,183
Amount outstanding January 14, 1875.....	351,861,450
Amount outstanding May 31, 1878.....	322,555,965
Amount outstanding at date*.....	343,770,300
Increase during the last month.....	630,383
Increase since May 1, 1879.....	15,900,390

LEGAL TENDER NOTES.

Amount outstanding June 20, 1874.....	\$382,000,000
Amount outstanding January 14, 1875.....	382,000,000
Amount retired under Act of January 14, 1875, to May 31, 1878.....	35,318,984
Amount outstanding on and since May 31, 1878.....	346,681,016
Amount on deposit with the Treasurer U. S. to redeem notes of insolvent and liquidating banks, and banks retiring circulation under Act of June 20, 1874.....	19,126,740
Increase in deposit during the last month.....	525,993
Increase in deposit since May, 1, 1879.....	5,770,501

*Circulation of National Gold Banks not included in the above.....\$1,351,350

JOHN JAY KNOX,
Comptroller of the Currency.

National Bank Statistics.

For the Month Ending April 30, 1880.

U. S. BONDS HELD AS SECURITY FOR NATIONAL BANKS.

U. S. bonds for circulation—deposited.....	\$3,319,100
U. S. bonds for circulation—withdrawn.....	3,971,500
Total held for circulation.....	363,003,650
Total held for deposits.....	14,742,000

LEGAL TENDER NOTES.

Deposited under Act of June 20, 1874.....	1,049,330
Total now on deposit in Treasury U. S., inc. notes of liquidating banks.....	19,126,740
Retired under Act of January 14, 1875.....	35,318,984
Total greenbacks outstanding.....	346,681,016

NATIONAL BANK NOTES.

Additional circulation issued.....	1,316,880
Circulation surrendered and retired.....	696,537
Total amount outstanding:	
Currency banks.....	343,579,300
Gold banks.....	1,351,350
Notes received for redemption from:	
New York.....	1,761,000
Boston.....	246,000
Philadelphia.....	326,000
Other places.....	1,673,000
Total.....	\$4,008,000

Bank Changes, New Banks, Etc.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National Banks organized since our last report:

2470—First National Bank of Bradford, Pennsylvania. Authorized capital, \$100,000. Paid-in capital, \$100,000. Samuel G. Bayne, President; Benjamin A. Provocost, Cashier.

2471—First National Bank of Hoosick Falls, New York. Authorized capital, \$60,000. Paid-in capital, \$60,000. Truman J. Wallace, President.

2472—First National Bank, Salamanca, New York. Authorized capital, \$50,000. Paid-in capital, \$50,000. Edward H. Space, President; Warren W. Warren, Cashier.

2473—Commercial National Bank of Reading, Pennsylvania. Authorized capital, \$150,000. Paid-in capital, \$77,060. William Young, President; B. F. Young, Cashier.

2474—Farmers' National Bank of Bryan, Ohio. Authorized capital, \$50,000. Paid-in capital, \$30,000. Edward Foster, President; John W. Nelson, Cashier.

2475—Farmers' National Bank of Vergennes, Vermont. Authorized capital, \$50,000. Paid-in capital, \$50,000. Walter Scranton, President; D. H. Lewis, Cashier.

ARKANSAS.—Commercial Bank, Texarkana; closed.

CALIFORNIA.—*Change of Title:* Farmers' National Gold Bank, San Jose; now First National Bank.

Change in Officers: Stockton Savings & Loan Society, Stockton; Fred. M. West, Cashier, in place of August Munter, resigned.

COLORADO.—*Change in Officers:* First National Bank of Boulder; Wm. H. Allison, Cashier, in place of P. A. Burgess.

Bank of San Joan (Daniels, Brown & Co.), Del Norte; removed to Alamosa.

DAKOTA.—*New:* Lake County Bank (Frank W. Thaxter), Madison.

ILLINOIS.—*New:* Somonauk Bank, Somonauk; John Clark, President; H. Wright, Cashier.

INDIANA.—*Change of Title:* Danville Banking Company, Danville; now Hadley, Homan & Co.

Change in Officers: Citizens' National Bank, Indianapolis; George B. Yandes, President, in place of A. G. Pettibone.

Willson & Greene, Tallula; W. G. Greene takes place of V. L. Greene.

IOWA.—*New:* George E. Frost, Clear Lake.

Bank of Griswold (F. H. Whitney), Griswold.

Lucas & Greeley, Ames; dissolved; business continued by Wm. D. Lucas.

Stone & Smith, Clinton; now City National Bank.

Marshalltown Bank, Marshalltown; now incorporated. Same officers. Capital, \$50,000.

Dissolved: Poweshiek County Bank, Brooklyn; retired from business.

KANSAS.—*Change of Title:* H. J. Cameron & Co., Kirwin; now Cameron, Hull & Co.

MARYLAND.—*Change in Officers:* National Bank of Baltimore, Baltimore; Christian Devries, President, in place of H. A. Thompson.

MASSACHUSETTS.—*Change in Officers:* First National Bank of Salem; Eben Sutton, President, in place of W. Sutton.

MINNESOTA.—*Change in Officers:* First National Bank of Mankato; F. Hursch, Cashier, in place of J. N. Hall.

Northwestern National Bank, Minneapolis; S. A. Harris, Cashier, in place of S. E. Neller.

MISSOURI.—*Change of Title:* R. S. Jacobs, Greenfield; now Jacobs & Van Osdell.

NEBRASKA.—*New:* Milford State Bank, Milford.

C. W. Mount & Co., Riverton.

Sutton Bank (Fowler & Cowles), Sutton.

Farmers' & Merchants' Bank, York.

NEW YORK STATE.—*Change of Title:* Baldwin & Williams, Addison; now James Baldwin & Co.

Watson, Neyhart & Co., Auburn; now Watson & Neyhart.

Briggs & Palmer, Clyde; now First National Bank.

NEW YORK CITY.—*Change in Officers:* Gallatin National Bank; Arthur W. Sherman, Cashier, in place of F. H. Stevens.

Change of Title: Donnell, Lawson & Co.; now Donnell, Lawson & Simpson.

Limburger, Thalmann & Co.; now Ladenburg, Thalmann & Co.

H. T. Morgan & Co.; now A. C. Morgan & Co.

L. Zimmermann & Co.; now Zimmermann & Walsh.

NORTH CAROLINA.—*Change in Officers:* Peoples' National Bank of Fayetteville; George P. McNeill, Cashier, in place of W. T. Taylor.

Raleigh National Bank, Raleigh; Charles H. Belvin, Cashier, in place of J. C. Blake.

OHIO.—*New:* C. H. Coy & Co., Toledo.

Change of Title: Bryan Bank, Bryan; now Farmers' National Bank. Same officers.

PENNSYLVANIA.—*Dissolved:* John E. Fox & Co., Philadelphia; interest of John E. Fox, deceased, withdrawn. Business continued under same style by D. B. & George Fox.

Change of Title: Parke, Smith & Co., Parkesburg; now Parkesburg National Bank.

Change in Officers: Monongahela National Bank of Brownsville; Wm. M. Ledwith, Cashier, in place of W. Parkhill.

Keystone National Bank, Philadelphia; John C. Lucas, President, in place of W. Armstrong.

First National Bank of Tamaqua; Thomas H. Carter, Cashier, in place of J. W. Abbott.

Narr & Gerlach, Philadelphia, admit Frederick Leser.

TENNESSEE.—*Change in Officers:* Manhattan Bank, Memphis; Lazarus Levy, President, in place of J. Levy; L. Hanauer, Vice-President; Maurice Maas, Assistant Cashier.

Bank of Commerce, Memphis; S. H. Dunscomb, President, in place of J. T. Fargason.

TEXAS.—*New:* Killough & Porter, Whitney.

W. E. Hughes, Dallas.

J. S. McDuffie, Ennis.

Change in Officers: City National Bank of Dallas; Paul Furst, Acting Cashier.

VERMONT.—*Change in Officers:* First National Bank, St. Albans; E. A. Sowles, President, in place of R. H. Hoyt.

VIRGINIA.—*Change in Officers:* Lynchburg National Bank, Lynchburg; Peter J. Otry, Cashier, in place of L. Norwell.

WISCONSIN.—*New:* Northrop & Co. (W. S. Northrop, Geo. W. Eastman), Platteville.

[TRANSLATED AND PREPARED FOR RHODES' JOURNAL.]

FOREIGN FINANCIAL ITEMS.

The Austro-Hungarian Bank notes will not in future have the dual coat of arms printed on them.

The introduction of Prussian consols on the London market is the subject of long congratulatory articles in the German press. It is considered as a triumph for the gold standard. At the same time there are rumors that Germany will soon ask Great Britain to adopt with her the double standard. In the meantime the great conversion of loans is causing great scarcity of good paper for investments, and a new speculative era is beginning in banking and building enterprises. During 1879 alone 742 million marks of German State bonds have been converted from a higher to a lower-bearing rate of interest.

The Russian economists are discussing plans for raising the value of the paper rouble, which has fallen in value from four francs to two francs fifty centimes. As to a resumption of specie payments, this is now admitted by every one to be simply impossible. It is suggestive, however, to be informed that there is a large and powerful party in Russia, composed of merchants, exporters and stock speculators, who are quite content to have matters remain in their present condition. The gold mines of Siberia are actively worked, for the premium is in itself a new way of making a fortune.

The Credit Lyonnais, (which has a branch in this city) has another institution known as La Fonciere Lyonnaise under its protection. The scope of this financial enterprise is to sell and buy real estate in Paris, Lyons, and all the principal towns of France, build houses, loan money to builders and contractors, etc.

Another "syndicate" is the project of a new company, composed of the Paris and Netherland Bank, the Brussels Bank, and the General Tramway Company of Brussels for the building of new railways.

Referring to the English Bank reserve now and a year since, the "London Economist" of April 24 says: "A comparison between the amount of the reserve of the Bank of England at this time and the corresponding date last year shows a change which it is worth while to note. The figures are as follows:

RESERVE, BANK OF ENGLAND.	
April 23, 1879.....	£19,700,000
April 21, 1880....	16,000,000
Less at date.....	£3,700,000

The Bank rate a year ago was 2 per cent., but the open market stood far lower, at $1\frac{1}{2}$ for bank bills. The reserve of the Bank increased for several months from that date till it reached its maximum in September. The returns of the Clearing House bore witness to the stagnation of trade, an average turn over of some £90,000,000 in the early weeks of last year, marking a lower condition of activity than had been recorded in this manner since 1871.

At the present time, though the Bank rate is still low, it has remained at 3 per cent. continuously since last November, and the present market quotation for three months' bank bills being $2\frac{3}{4}$ per cent., there is a smaller divergency between the open market and the Bank now than there was with the far lower rate which ruled a twelve-month since. The Clearing-house returns have averaged fully £100,000,000 a week since this year commenced, and there are signs that the actual supply of money in the market is small."

RHODES' JOURNAL RECORD OF DEATHS.

JOSEPH SELIGMAN, of the banking firm of J. & W. Seligman & Co., of New York, died at New Orleans, April 25, 1880, aged 60 years.

Mr. Seligman ranked high in American banking and financial circles, and he died universally respected. An estimate of his worth can best be formed by quoting from the eulogy pronounced at his funeral in this city, May 3, by Prof. F. Adler, who said: "The record of his noble life is his own best eulogium, and that record is written in the hearts of thousands of his fellow-citizens. He loved and was beloved of all mankind, and, passing away, he has left monuments of love behind him which can never perish. He never forgot that he was a Hebrew, and he was never ashamed of his origin. He was proud of it, indeed, and the Hebrew community of this city and of the world have good reason to be proud of him. He was continually bringing his race into honor. He honored the Jews by his probity and sagacity, which made him an adviser of the Government, implicitly trusted in financial matters, and relied on with confidence by the rulers of the nation when monetary questions were under discussion."

JOHN R. GOODWIN, President of the Brookville Bank, of Brookville, Ind., died suddenly (by the hand of an insane brother), May 3, 1880.

He was one of the foremost men in the State, owner of the bank of which he was President, and the chief supporter of the Brookville Methodist Episcopal Church. He was a lay delegate to the General Conference of the Methodist Church, now in session at Cincinnati, and a delegation from that body attended his funeral. In response to a telegram sent to Dr. W. R. Goodwin, of the Illinois Conference, a brother of the deceased, the following message was received from Brookville by the "Daily Advocate," the conference paper now being published at Cincinnati: "*My brother lived nearly three hours after receiving his death wound; he was conscious to the last, and died triumphant.*"

ASAPH D. MATHER, head of the banking firm of A. D. Mather & Co., Utica, New York, died April 8, 1880, aged 57 years.

He was born in Schuyler, Herkimer County, on the 16th of March, 1823. His father was a farmer in moderate circumstances, and he received simply a common school education. After living on a farm several years he removed to Utica (in 1847), and in company with his brother established himself in the grocery business. In 1860 he opened the banking house of A. D. Mather & Co. He was the architect of a fortune grown to colossal proportions, of which the foundations were hard work, the pillars untiring energy, and the keystone financial wisdom. No factitious circumstances or special stroke of luck helped him forward. His success was perfectly legitimate. The affection he manifested for his brother, the partner and associate of his whole business life, was almost childlike in its depth and sincerity. These two walked together over the paths of adversity into the high road of fortune, faithful to each other, industrious and tireless men winning their way by hard work.

GEORGE C. McLEAN, Cashier of the Masonic Bank of Pittsburgh, died April 16, 1880, after a lingering illness.

Captain McLean was a native of Pittsburgh, and in former years was a well-known steamboat captain, having for several years commanded the popular steamer-packet "Allegheny," during which time he made hosts of friends. Subsequently he was ap-

pointed by President Johnson to the office of Surveyor of Customs of the port of Pittsburgh, the duties of which he discharged most faithfully. At the expiration of his term of office he was chosen Cashier of the Masonic Bank, which office he held until the time of his death. As an active and successful business man Capt. McClean had few superiors. Ever amiable, straightforward and accurate in the discharge of his duty, he was held in the highest regard by the prominent business men of his city.

JOHN LAUB, the oldest clerk in the United States Treasury, died at Washington, April 15, 1890, after a faithful service of more than forty-three years.

He was absent but five days from his desk during the entire forty-three years of his service, although he was entitled to a vacation of thirty days each year. No other man in all that time ever did any part of the work that it was his duty to perform. In the room which he occupied is a set of books covering the entire history of the First Comptroller's office—eighty-six years—and in those books appear but two styles of penmanship—those of John Laub and his father.

DAVID H. CARRIER, President of the First National Bank of West Winfield, New York, died April 7th, 1890, in the 85th year of his age.

His early life was occupied with mercantile pursuits, in which he was successful. In 1854 he was instrumental in the establishment of the West Winfield Bank, of which institution, as well as of its successor, the First National Bank of West Winfield, he was the President until his death, a period of over twenty-five years. A large concourse of citizens attended his funeral.

GEORGE W. KITTREDGE, President of the Newmarket (N. H.) Savings Bank for forty years, died March 5, 1890.

He was elected to the Legislature in 1835, 1847 and 1848, and was Speaker of the State House of Representatives in 1852. He was a member of the Thirty-third and Thirty-fourth Congresses, and director of the Boston and Maine Railroad for twenty years.

SAMUEL R. SMITH, Vice-President of the First National Bank of Trenton, N. J., died April 14, 1890.

He was well and favorably known as a financier and operator in stocks and real estate.

THE BANKER'S INDEX.

The Money Market and Financial Situation.

NEW YORK, May 4, 1880.

A history of the money market during the month of April, and up to the date of this review, may be termed a series of surprises from first to last. The month opened with a very active money market, call loans being made as high as $\frac{1}{4}$ of 1 per cent. commission and interest, and it was a rare occurrence when borrowers offering the highest class of collaterals could obtain funds at 6 per cent. The stringency was mainly due to the manipulations of a few bold speculators who were desirous of forcing the market down in order to get hold of larger lines of share property, and that they were successful in this there is no doubt. But on the first Wednesday of the month an event occurred which upset their plans completely for the time being. The offerings of bonds to the Treasury for the Sinking Fund amounted to \$5,370,500, and the Secretary treated Wall Street to a genuine surprise by accepting \$5,000,000 of this sum. The Treasury's payment for these bonds, together with large disbursements on account of April interest, made the money market much easier.

As was intimated in this department of the JOURNAL last month, an insidious combination holds the key to the monetary situation here at present, and just how long their methods will prevail it is not safe to predict. Like all ill-begotten schemes, however, it cannot hold out any considerable length of time. In the second week of the month the money market continued active; in fact, one day, Thursday, the 8th, the rate on call loans was forced up to $\frac{3}{4}$ of 1 per cent. commission and interest. That week the Secretary of the Treasury bought only \$1,489,300 of bonds for the Sinking Fund, as the prices at which they were offered were considered too high, thus leaving the bears in full power to keep the money market up to concert pitch.

The middle of the month came with indications that the flow of currency from the West would largely increase the bank reserves and create comparative ease in the market; but these hopes were not realized, as considerable derangement was caused by the settlements of the syndicate for the large block of New York Central stock bought from Mr. Vanderbilt, and, besides, the supply of new money was small, as the Treasury at this period bought only \$1,500,000 of bonds for the Sinking Fund. But though circumstances seemed to favor a tight money market for some time to come, yet, as the month wore away, it became apparent that there was considerable less demand for funds, owing mainly to the decline in staple products and the liquidation of the stock operations. Thus there appeared to be smooth sailing ahead, loanable funds being in good supply at 5 per cent., with bright prospects of this rate continuing up to the first of May, when a stock-jobbing measure was quietly pushed through the New York Legislature imposing an onerous tax on foreign capital, which resulted in the withdrawal of \$3,000,000 of loans and a threatened withdrawal of all foreign capital employed in this centre. (The subject is referred to on page 245 of this issue.) This wrought a stampede in the money market to the detriment of legitimate trade. The attention of Governor Cornell was called to the unjust provisions of the bill, and he very wisely vetoed it to-day—May 4th—the very day it would have become a law but for

his timely interference. The Governor's veto message contains some practical hints which legislators would do well to study. He says: "It is my sincere desire to co-operate with the Legislature in maturing any measure which will ensure a more equitable distribution of the burden of taxation. The present bill would not, in my opinion, promote this object. On the contrary, it would fail to produce any material revenue and would tend to drive from the State a large amount of capital, which, in times of financial stress, is sent here for temporary use, thereby giving great relief to the borrowing classes and affording additional facilities for commercial transactions. Our great metropolis has become one of the principal financial centres of the world, and within a few years it has attracted vast amounts of capital from other countries, the use of which has, to a great extent, modified the rate of interest in the State. Were this bill to become a law the first result would be to deprive our people of the benefits derived from the influx of this foreign capital, which would seek other markets and thus increase the commercial facilities of rival cities."

There is now no legitimate reason why the rate of interest should not rule lower for some months to come. The return of currency from the interior is more active, the trade indications are generally favorable, the producing classes are working contentedly, Kearneyism is at a discount, and the industrious working people are saving money. There are indications that with the large influx of foreign artisans and skilled mechanics capital will be able to work in harmony with labor to the mutual profit of both classes. The strikers and agitators who cripple trade are, as a rule, a distinct class and not legitimately entitled to be called workingmen; they are usually either shirkers, sots or idlers.

The subjoined aggregates of the banks, composing the New York Clearing House Association, shows the movement of specie and greenbacks at this centre for five weeks past on the dates named (Saturdays):

1880.	Loans.	Specie.	Legal Tenders.	Circula- tion.	Net Deposits.	Surplus.
April 3...	\$290,639,500	\$58,889,300	\$10,847,500	\$20,981,800	\$259,366,800	*\$309,900
April 10...	288,470,900	52,023,800	11,935,900	20,987,900	256,287,800	*107,450
April 17...	284,250,900	50,050,800	13,866,000	20,843,000	253,519,800	536,850
April 24...	278,886,200	48,983,600	15,482,100	20,612,800	248,896,700	2,191,525
May 1...	240,436,300	49,406,500	17,014,000	20,646,200	252,572,200	8,277,450

* Deficiency.

GOVERNMENT BONDS.—The movement in Government bonds from day to day, and the purchases by the Treasury for the Sinking Fund, have been carefully recorded in our "Weekly Letter." The general tendency of the market has been strong and upward.

The following table shows the total sales of each class of Government bonds at the New York Stock Exchange for the five weeks ending May 4, and the closing prices* on the dates named:

	Interest Periods.	Total Sales.	April 8.	April 15.	April 22.	April 29.	May 4.
6s, 1880, reg...	J. & J.	....	103 $\frac{3}{4}$	103 $\frac{3}{4}$	104	104 $\frac{1}{4}$	104 $\frac{1}{4}$
6s, 1880, coup	J. & J.	\$45,000	103 $\frac{3}{4}$	103 $\frac{3}{4}$	104 $\frac{1}{4}$	104 $\frac{1}{4}$	104 $\frac{1}{4}$
6s, 1881, reg	J. & J.	233,500	105 $\frac{3}{4}$	105 $\frac{3}{4}$	106	106 $\frac{1}{4}$	106 $\frac{1}{4}$
6s, 1881, coup	J. & J.	120,500	105 $\frac{3}{4}$	105 $\frac{3}{4}$	106	106 $\frac{1}{4}$	106 $\frac{1}{4}$
5s, 1881, reg	Q.—Feb.	365,000	102 $\frac{1}{4}$	102 $\frac{1}{4}$	102 $\frac{1}{4}$	102 $\frac{3}{4}$	102 $\frac{3}{4}$
5s, 1881, coup	Q.—Feb.	1,709,500	103 $\frac{3}{4}$	103 $\frac{3}{4}$	103 $\frac{3}{4}$	104	102 $\frac{3}{4}$
4 $\frac{1}{2}$ s, 1891, reg	Q.—Mar.	54,000	108 $\frac{3}{4}$	108 $\frac{3}{4}$	108 $\frac{3}{4}$	108 $\frac{3}{4}$	107 $\frac{3}{4}$
4 $\frac{1}{2}$ s, 1891, coup	Q.—Mar.	239,200	108 $\frac{3}{4}$	108 $\frac{3}{4}$	108 $\frac{3}{4}$	108 $\frac{3}{4}$	108 $\frac{3}{4}$
4s, 1907, reg	Q.—Jan.	580,900	107 $\frac{3}{4}$	107 $\frac{3}{4}$	107	107 $\frac{3}{4}$	107 $\frac{3}{4}$
4s, 1907, coup	Q.—Jan.	2,089,000	107 $\frac{3}{4}$	106 $\frac{3}{4}$	107	107 $\frac{1}{4}$	107 $\frac{3}{4}$
6s, currency, 1895, reg	J. & J.	10,000	125	122	125	125	125
6s, currency, 1896, reg	J. & J.	....	125 $\frac{1}{4}$	122	125	125	125
6s, currency, 1897, reg	J. & J.	....	126	122	125	125	125
6s, currency, 1898, reg	J. & J.	....	126	122	125	125	125
6s, currency, 1899, reg	J. & J.	8,000	126	122	125	125	125

* The prices bid are given; these furnish the most reliable quotations of sales at the Board.

RAILROAD BONDS.—The prices of first-class railroad mortgages ruled high during the month, being bought mainly for investments, many of which sold at the highest prices of the year.

The annexed table shows the leading bonds dealt in, range of prices and the amount of recorded transactions for the month just closed.

	Highest.	Lowest.	Closing. April 30.	Amount Sold.
Cent of N. J. con. ass'd.....	105½	104½	104½	\$254,000
Lehigh & Wilkes con. ass'd.....	98½	96½	98½	107,000
Morris & Essex 1st consol.....	110½	110	110	37,000
Rome W. and Ogd. 1sts.....	69	63	65½	377,000
St. Paul sinking fund.....	111½	110½	110½	174,000
H. and St. Jo. conv. 8s.....	106½	106½	106½	42,500
N. Y. C. 1sts coup.....	127	127	127	19,000
Canada South. 1sts.....	91½	89½	90½	620,000
Toledo and Wabash C. C.....	101½	99½	101½	143,000
Gen Pacific 1sts.....	113½	112	112	105,000
Tex. do income.....	99½	65	67½	226,000
Union do 1sts.....	113½	109½	112½	536,000
Kansas do do con.....	97	95	97	76,000
do do D. D. A. C. C.....	108½	107½	108	239,000
Den. & Rio Grande 1sts.....	106½	103½	106½	682,500
Mo. Kan and Texas 1sts con. ass'd.....	103½	90	102	1,882,000
do do 2ds.....	68½	54½	61½	3,572,100
Erie new con. 2ds.....	82½	80½	82½	8,170,000
do do 5s funded.....	86½	84	86½	570,000
do do con. 7s.....	119	117½	119	153,500
C. C. & I. C income.....	39½	35	35	223,000
do 1sts T. C. C. A. supplem'y.....	83	80	81	172,000
J. Mountain 2d pref. income.....	83	72	74	1,019,000
do 1st do do.....	95	89	93	210,350
do 2ds.....	103½	102½	103½	226,000
C. & Ohio Currency 6s.....	44½	41	41	206,000
do do 1sts series B.....	69	63	67½	492,000
N. Y. Elevated 1sts.....	112	110½	112	136,000
Met. do do.....	102½	100½	101½	437,000
Bost. Hart. & E. do.....	57½	54½	55½	801,000
Oregon 1sts.....	99½	92½	93½	322,000
Mobile & Ohio 1st deb.....	74½	72	74	402,500
do 2d deb.....	46	43	43	63,000
Bur. C. R. and Northern 1sts.....	92½	91	91½	255,000
Lake Erie & W. income.....	68½	57	57	211,000
Ohio Central income.....	51	50	50	101,000
do 1sts.....	90½	89½	90½	85,000

Additional quotations of railroad bonds at New York and other principal cities appear in the general list of Stock and Bond Quotations, printed on the pages at the close of this department.

STATE BONDS.—Recorded sales and range of prices for the month were as follows:

	Highest.	Lowest.	Sales.
Ala. Class A.....	61½	57½	54,000
do do small.....	65	65	10,000
Arkansas 7s, L. R., P. B. & N. O. 1ss.....	5	5	1,000
La. 7s, Cons.....	51½	48	110,000
Mo. 6s, '86.....	107½	106½	6,000
do '87.....	108½	108	21,000
do '88.....	108	108	2,000
do '89 or '90.....	109½	109	2,000
do funding bonds '94.....	111	110½	10,000
do Han. & St. Jo., '86.....	106	106	5,000
N. C. 6s old J. & J.....	29	29	9,000
do do April & Oct.....	29	29	1,000
Tenn. 6s old.....	36½	36	6,000
do new bonds.....	29	28½	4,000
do new series.....	31	29	7,000
Va. 6s deferred.....	8	8	25,000
do con. x matd c.....	54½	54½	10,000
D of C. 3-65s 1874.....	94	92½	233,000
do do Reg.....	94	92½	11,000

Additional quotations of State bonds are published on another page.

Railroad and Miscellaneous Stocks in April.

The following table shows the number of shares sold, and the lowest, highest and closing prices of the active Railway and Miscellaneous Stocks at the New York Stock Exchange during April; and, for comparison, the closing prices March 31:

RAILROADS.	Closing	Range in April		Closing April 30.	Shares Sold.
	March 31.	Low- est.	High- est.		
Can. Southern.....	66½	57½	67½	62½	107,678
C. C. & Ind.....	79	74	80	76	14,535
C. C. & I. C.....	16½	13½	17	13½	32,108
Ches. & Ohio.....	23½	20	24½	20¾	20,294
C., St. P. & Minn.....	53	55	60¾	.....	19,534
Northwestern.....	96½	92	96½	93½	210,078
do. pref.....	110¼	107½	110¼	.....	19,815
Mil. & St. Paul.....	82¾	75¾	83½	77½	481,879
do. pref.....	101½	102	105½	102½	14,934
Del. Lack. & West.....	98¾	93¾	94¾	86½	955,932
Del. & Hud. C. Co.....	85½	78	86	80¾	103,812
Houston & Texas.....	81	66½	83	.....	19,600
Hannibal & St. Jo.....	37	31¾	37¼	33¾	77,470
do. pref.....	71	65	73½	72½	112,444
Illinois Central.....	108¾	104¼	109½	105¾	34,476
Lake Erie & Western.....	35	30½	35¾	31¾	27,350
Louisville & Nashville.....	158	115	164½	133	25,450
Lake Shore.....	108¾	105¾	109¾	107¼	314,975
Manhattan R.R.....	32¾	25¾	33¾	.....	349,680
Metropolitan Elevated.....	104½	92	105	.....	47,143
Michigan Central.....	93¾	89	94½	89¾	155,602
Mobile & Ohio.....	23¼	19¾	22	.....	7,473
Mo., Kan. & Texas.....	44½	33¾	45¾	35½	557,865
Nash., Chat. & St. L.....	79	69¾	84½	72¾	99,557
N. J. Central.....	84¾	74¾	85¾	76½	533,913
N. Y. Central.....	135¾	129½	136	130¾	239,280
N. Y., L. E. & W.....	45½	41¾	46	43¾	1,470,484
do. pref.....	70¼	63¾	70¼	.....	24,298
Northern Pacific.....	30	27	31¾	27¾	70,857
do. pref.....	53¾	51½	54¾	52	70,167
N. Y., Ont. & W.....	26¾	31¼	25	20¾	328,700
Ohio & Mississippi.....	37¾	32	39¾	24¾	398,770
do. pref.....	75¼	72¾	76¼	76	13,355
Phila. & Reading R. R.....	70	58¼	70¾	60¾	136,950
St. Paul & Sioux City.....	44½	41¾	45¾	.....	29,120
St. L., I. M. & S.....	58¾	46¾	50¾	50¼	384,811
Union Pacific.....	89	86¼	91¾	87¼	63,856
W., St. L. & Pacific.....	44	36¾	44¾	39½	260,555
do. pref.....	69¾	64	70	67¾	300,305
Am. Dist. Tel.....	75¾	72	79¾	77¼	38,700
At. & Pac. Tel.....	42¾	42	45	43¼	16,080
Western Union Tel.....	106¾	104	109	106¾	312,417
Pacific Mail.....	41¼	37¾	45¼	40¾	670,439
Climax Mining.....	2½	2½	3	2¾	34,185
Little Pittsburgh.....	8½	5	9½	6¼	50,785
Standard Mining.....	31	26¾	32	28¼	33,433
Sutro Tunnel.....	2¾	1¾	2¾	1¾	132,898

FOREIGN EXCHANGE was somewhat unsettled during the month, but, as a rule, the supply of commercial bills was equal to the demand.

Quotations for Sterling, also COINS AND BULLION, are published regularly in our "Weekly Letter," and need not be repeated here.

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 April 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	SECURITIES.	Bid.	Askd
STATE STOCK.			N. C. new bonds, April & Oct..		
Alabama 5s, 1883.....			do special tax, class 1.....	17	18½
do 5s, 1886.....			do do class 2.....	39½	4
do 8s, 1886.....			do do class 3.....	39½	4
do 8s, 1888.....			Ohio 6s, 1881.....	102½	
do 8s M & Eufala R R.....			do 1886.....	109	
do 8s Ala & Chat R R.....			Rhode Island 6s.....	114	
do 8s of 1892.....			South Carolina 6s.....		
do 8s of 1893.....			do Jan & July.....		
do consols class A.....	58	59	do April & Oct.....		
do do do B.....	75	85	do funding act 1866.....		
do do do C.....	62½		do land C 1889 Jan & J.....		
Arkansas 6s funded.....	12½		do land C 1889 Apr & O.....		
do 7s L Rk & Ft S iss.....	3		do 7s of 1888.....		5½
do 7s Memp & L R.....	3		Non-fundable bonds.....		
do 7s L Rk P B & N O.....	3		Tennessee 6s, old.....	32	36½
do 7s Miss O & R Riv.....	3		do 6s, new.....	29	31
do 7s Ark Cent R R.....	3		do new series.....	29	31
Connecticut 6s.....	106		Virginia 6s, old.....	22	
Georgia 6s.....	99		do 6s, new bonds, 1866.....		
do 7s new bonds.....			do 6s, do 1867.....		
do 7s endorsed.....	109		do 6s, consol. bonds.....	78	
do 7s gold bonds.....	109		do 6s, ex-mat'd coup.....	53½	54½
Illinois coupon 6s, 1879.....	100		do 6s, do 2d series.....	22	
do war loan.....	100		do 6s, defer'd do.....	6½	7½
Kentucky 6s.....	100		Dist. of Col. 3-65's 1924.....	93½	94
Louisiana 6s.....			do Small Bonds.....		
do new bonds.....			do Registered.....	94	
do 6s new floating debt.....			CITY AND COUNTY.		
do 7s penitentiary.....			Brooklyn 6s.....		
do 5s levee bonds.....			do 6s, water loan.....	111	115
do 8s do.....			do 6s, imp'm't stock.....		
do 8s do of 1875.....			do 7s, do.....		
do 8s do of 1910.....			do 6s, pub. p'k loan.....	115	118
do 7s Consolidated.....	49		do 7s, do do.....	125	128
do 7s Small Bonds.....			Jersey City 6s, water loan.....	101	102
Michigan 6s 1878-1879.....			do 7s, do.....	107	108
do 6s, 1883.....	103		do 7s, improvement.....	105	106
do 7s, 1890.....	113		Kings county 6s.....	101½	110
Missouri 6s due in.....	1883		New York City 6s, 20-50's, 1876.....		
do do in.....	1886	107½	do do 6s, 1877.....		
do do.....	1887		do do 6s, 1878.....		
do do.....	1888		do do 6s, 1887.....		
do do in 1889 or 1890.....	109		do do G'd 6s, Con. 1902.....	118	120
Asyl or Univ'sy due 1892.....	107		do do 6s, ..1896.....	117	118
Fund'g bds due in 1894-5.....			do do 6s Dock b'ds.....	118	120
Han & St. Jos. due 1886.....	106		do do 6s co. b'ds.....		
do do 1887.....			do do 6s Cen. Park.....	117	118
New York 6s gold reg'd, 1887.....	107		do 5s, ..1890.....		
do 6s do coup., 1887.....	107		do 5s, ..1898.....	106	108
do 6s do loan, 1883.....	106		RAILROAD BONDS.		
do 6s do do 1891.....	117		Boston, H. & E. 1st m.....	54¾	55¾
do 6s do do 1892.....	118		Boston, H. & E. 1st m guar.....		
do 6s do do 1893.....	119		B., Cedar Rap. & N. Is 5s g.....	91½	92
N Carolina 6s old Jan & July.....	29	29½	Chesapeake & Ohio 6s 1st mtg.....	106	
do Apr & Oct.....	29	29½	do do ex-coupon.....		
do N. C. R., Jan & July.....	110		Chicago & Alton 1st mortgage.....	118	
do do Apr & Oct.....	110		do do income.....	103	
do do cp off Jan & July.....	90		Joliet & Chicago 1st mortgage.....		
do do cp off Apr & Oct.....	90		La. & Mo., 1st guaranteed.....	113	
do funding act, 1866.....	10	11½	St. L Jacksonville & Chic 1st.....	110	
do do 1863.....	10		Chic. Bur. & Qu. 8 per ct. 1st m.....	109	110
do new bonds Jan & July.....	17	18½			

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.	110	112
Chic. R. I. & Pacific 1st M 7s. ....	.....	.....	Cleve. & Tol. sink. fd. ....	.....	112
do do 6s 1917. coupon.	117	118	Cleve. & Tol. new bonds. ....	.....	.....
do do 6s 1917. registered	116½	.....	Cleve. Painesv & A old bonds.	113	116
Keokuk & Des Moines 1st 5s.	94	.....	do do new do. ....	.....	.....
Central R R of New Jersey. ....	.....	.....	Buff. & Erie. new bonds.	118	.....
Cent. R of N. J. 1st m. new.	116½	.....	Buff. and State Line 7s. ....	.....	.....
do do 1st consolidated	104½	105	Kala. & W. Pigeon 1st m.	105	.....
do do convertible	107	108½	Det. Mon & Tol 1st 7s 1906.	113	116
L. & W. B'e. con. guaranteed	98½	99	Lake Shore div. bonds. ....	.....	.....
Am' Dock & Imp. bonds. ....	.....	.....	do con c'p 1st bds.	122	123
Chic. Mil. & St. Paul R. R. ....	.....	.....	do con reg 1st bds.	122	122½
M. & St. P. 1st mtg 6s P. D.	127½	.....	do con coup 2d m.	118½	.....
do do 2d 7-10 P. D.	113	.....	do con reg'd 2d m. ....	.....	119
do do 1st 7s ½ gold R. D.	114	114	Marietta & Cin. 1st m.	109	.....
do do 1st 7s ½ do.	113½	113½	Mich. Cent. consol. 7s 1902.	121	121½
do do 1st M. LaC. D.	111½	.....	do do 1st m. 8s '82 s f. ....	.....	108
do do 1st M. I. & M. D.	113	.....	do do equipment bds. ....	.....	.....
do do 1st M. I. & D.	110	.....	New Jersey So. 1st m. 7s. ....	.....	.....
do do 1st M. H. & D.	110	.....	do consol 7s. ....	.....	.....
do do 1st M. C. & M.	114	.....	N. Y. Cent. 6s, 1883. ....	.....	.....
do do consolidated s f.	110	110½	do do 6s, 1887. ....	.....	.....
do do 2d mortgage. ....	.....	.....	do do 6s, real estate. ....	.....	.....
Chic. & N. W. sinking fund.	110	110½	do do 6s, subscription. ....	.....	.....
do do int. bonds.	107½	.....	do do & Hud 1st m c.	126½	127
do do cons. bonds.	123	.....	do do do 1st m reg.	126½	127
do do exten. bonds. ....	.....	.....	Hud. Riv. 7s 2d m s f 1885.	126½	127
do do 1st mortgage.	110½	118	Harlem 1st m 7s coupon.	126½	.....
do do coup'd bonds.	117	118	do do reg'd.	126½	.....
do do reg'd do.	117	.....	North Missouri, 1st mort. ....	.....	.....
Iowa Midland 1st m. 8s.	121	.....	Ohio & Miss cons s f.	115	.....
Galena & Chicago extension.	.....	.....	do consolidated.	114	116½
Peninsula 1st m. conv.	116	.....	do do 2d do.	112	112½
Chicago & Mil. 1st m.	114	.....	do do 1st Springfield div.	77	79
Winona & St. P. 1st mort.	106½	.....	Pacific R R bonds. ....	.....	.....
do do 2d mort.	113½	113½	Cent Pacific gold bonds.	112½	113
C. C. C. & Ind's 1st m. 7s s f.	119	121	do San Joaquin branch.	104	105
do do consol. M. bonds. ....	.....	.....	do Cal & Oregon 1st.	104½	.....
Del., Lack. & W. 2d m.	105	.....	do State aid bonds.	105½	.....
do do 7s conv.	118½	.....	do land grant bonds.	104½	105
Morris & Essex 1st mor.	129	.....	Western Pacific bonds.	109	.....
do do 2d do.	113½	.....	Union Pacific 1st m bds.	112½	112½
do do bonds, 1900. ....	.....	.....	do do land grants. 7s.	111	111½
do do constr'n.	100	.....	do sinking fund.	115	116
do do 7s of 1871.	111	.....	Pacific R of Mo. 1st m.	108½	.....
do do 1s con. gd.	111	111	do do 2d m.	109½	109½
Del. & Hud. Can. 1s m. 1884.	107½	107½	do do Income 7s.	109½	.....
do do 1891.	109½	109½	do do 1st Carnot't B. ....	.....	.....
do do Coup. 7s 1894.	108½	108½	Pennsylvania R R	.....	.....
do do Reg'd 7s 1894. ....	.....	.....	Pitts. Ft W & C 1st m.	130	.....
Albany & Susq. 1st m'ge.	114	.....	do do 2d m.	125	.....
do do 2d do. ....	.....	.....	do do 3d m.	119	.....
do do 3d do.	104	.....	Cleve & Pitts con s f.	120	.....
do do 1st c gua'd.	109½	109½	do do 4th do. ....	.....	111
Rens'r & Sara. 1st Coup. ....	.....	.....	Col. Chic & Ind 1st m. ....	.....	88
do do 1st reg'd. ....	.....	.....	do do 2d m. ....	.....	.....
Erie 1st mort. extended.	123	.....	Rome, Water'n & Og con l.	65	66
do 1st do endorsed. ....	.....	.....	St. L. & Iron M 1st m.	112½	114
do 2d do ex. 5s, 1919.	105½	.....	do do 2d m. ....	.....	109½
do 3d do 7s, 1883.	105½	.....	St. L. Alton & Terre Haute	.....	.....
do 4th do 7s, 1880.	102	102	Alton & Terre Haute 1st m.	112	.....
do 5th do 7s, 1888.	111	.....	do do 2d do pref.	104½	.....
do 7s cons. m'ge gd bds.	118½	119	do do 2d do inc.	95	95
Long Dock Bonds.	115½	.....	Bell & S. Ill R. 1st m 8s.	110	.....
B. N. Y., & E. 1st m 1918.	120	.....	Tol. Peo & War, 1st E D.	128	130
Han. & St. J. 8s convertible m.	108½	108½	do do do W D.	128	.....
Illinois Central. ....	.....	.....	do do do Burl div. ....	.....	.....
Dub. & Sioux City 1st m. ....	.....	.....	do do do 2d m. ....	.....	.....
do do 2d div.	110	.....	do do do consol 7s. ....	.....	.....
Cedar Falls & Minn. 1st m.	105½	.....	Toledo, Wabash & Western	.....	.....
Indp's Bloomn & W'n 1st p.	114	.....	Tol & Wab 1st m ex.	109	.....
do do 2d. ....	.....	.....	do do Ex coupon. ....	.....	.....
Lake Shore Bonds	.....	.....	do do 1st m St L div. ....	.....	108
			do do Ex mat'd coup. ....	.....	.....

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid	Askd
Tol & Wab 2d m.	104	105	Kal. Alleghan & G R 8s gr.	110	115
do Ex & Nov 77 coup.			Kal & White Pigeon 7s.	105	110½
do equipment bonds.		40	Kansas City & Cameron 10s.	115	120
do cons conv'ble.		101	Kan Pac 7s ex Ma & No g.		
do Ex Aug 78 & priv's.			do 7s land gr Ja & Jy g.		
Gt West'n 1st m 1888.		106½	Kan Pac 7s do 2d m.		
do Ex coupon.			do 6s gold June & Dec.		
do 2d m 1893.		104½	do 6s do Feb & Aug.		
do Ex & Nov 77 coup.			do 7s Leaven Branch.		
Quincy & Tol 1st m, 1890.	105	106	do Income No 11.		
do Ex M & Nov 77 c p.			do do No 16.		
Illinois & S Iowa 1st m.			do stock.		
do Ex coupon.			Michigan Air Line 8s.	100	110
Han & Cent Mo 1st m.			Mt & North 1st m 8s.	70	80
Pekin, Linc'n & Decat'r 1st m.			Mo. Kan & Tex assent'd bds.	101½	102
West'n Un bds, 1900, c'pon.	117	118½	do 2d inc.	61½	62
do do do reg.	117		N. J. Midland 1st 7s gold.	90	95
MISCELLANEOUS LIST.			N. Y. & J. 7 s, con. gold.	10	12
Arkansas Levee 7s.	6	8	Omaha & S West'n R R 8s.	115	120
Atchison & P Pk 8s gold.			Oregon & Cal 7s gold.	28	30
Atchison, Top & S R 7s, g.	118	117	Oswego & Rome 7s guar.	100	110
Cairo & Fulton 1st 7s.	107½	108½	Ott. Oswego & Fox R V 8s.		
California & Oregon 8s g'd.	104	105	Pitta, Cin & St Louis 1st 7s.	113	115
California Pac R R 7s gold.	105	115	Pt Huron & L M 7s g end.	35	40
do 6s 2d m gold.	100	110	Quincy & Warsaw 8s.		
Central Pac 7s gold, conv.	100	103	Rome, W & Ogdensburg 7s.	65	66
do land grant.	104	103	Sand, Mans & Newark 7s.	105	110
Cent of Iowa 1st M 7s gold.	116	118	Sioux City & Pacific 6s.		
Chi & Southwestern R R 8s.	113	115	South Side (L I) 7s.	100	105
Chi & Eastern Ill. 1st 6s.	99	100	Southern Central N Y 7s.	70	85
do do income 7s.	60	61	Steubenville & Indiana 6s.	101	104
Chi & Mich Lake Shore 8s.			Southern Minn construc 8s.	110	115
Chi & Can South 1st m'g 7s.	55	65	St. Jo & C Bl 1st m 10s.		
Chi, St. P. & Min 1st M 6s.	105	108	St. Louis, Vanda & T H 1st.		
do land grant 6s.	101	103	do do 2d.		
Cin, Rich & F W 1 m g 7s.	80	90	St L & S Eastern 1st 7s gold.	100	110
Cleve, Mt V & Del 7s gold.			Union Pacific 8s br 6s gold.	95	100
Connecticut Valley 7s gold.	67	75	Union & Logansport 7s.	95	100
Connecticut Western 1st 7s.	35	45	Texas & Pacific L G 7s.	68	69
Col & Hock Val 1st 7s 30 ys.	105	110	CINCINNATI.		
Dan, Urb, Bl & P 1st m 7s g.			STATE, CO. AND CITY BONDS.		
Denver Pacific 7 gold.	97	100	Ohio State 6s.	111	112
Deny and Rio Grande 7s g.	105½	106	Hamilton County 6s.	100	
Det. Hillsdale & Ind R R 8s.			do do 7s.	101	105
Dixon, Peoria & Han 8s.			City of Cincinnati 6s.	106½	107
Erie & Pittsburg 1st 7s.	100	102½	do do 7s.	116	
Evans & Crawfordville 7s.	100	105	do do 7 3-10.	118	119
Evans, Hend. & Nashville 7s.			City of Covington, Ky 6s '81.	102	
Evansville, T & H Chic 7s g.	85	90	do do 7 3-10, '81.	102	104
Flint & Pere M 7s land grant.	102	108	RAILROAD BONDS.		
do 7s consol.	80	81	L Miami & I & C con 6s.	95	100
Fort W, Jackson & Sag 8s.			do do 1st 6s '83.	102	103 x
Grand River Valley 8s.	105	110	Cin. Ham & Day 1 m 7s '80.		
G'd Rapids & Ind I guar 7 g.	109	110	do do 2 m 7s '85.	105	106 x
G'd Rapids & Ind 1st 7s g.	108	108	do do 3 m 8s.		
Houst. & Gt N. 1st m g 7s.			Dayton & Mich, 1 m 7s '81.	101½	102
Houst. & Tex. C. 1st M L.			Dayton and Mich, 2 m 7s '84.	105	106½
do 1st W D.			do do 3 m 7s '88.	x100	
do Con. 8s.			Cin, Rich & Chi, 1 m 7s '85.	82	
Ill Grand Trunk 8s.	113	115	Cin, Han & Ind 1st m gr 7s.	x100	
Ind, Bl & W Ext 1st m g 7s.			Marietta & Cin 1st m 7s '91.	87	90
Indianapolis & Mad. 1st m 7s.	100	103	do do 2d m 7s '93.	80	82
Int'national R R Tex 1 m g 7s.			Indianap & Cin 1st m 7s '88.	105	110
Ind. Bl. & W., 1st 7s, pref.			Cin & In guar 1st m 7s '82.	105	110
do 1st.			do 2d m 7s '77 '82.	75	100
do 2ds.			Indianap C & L 1st m 7s '97.	80	
do Income.			Day & W 1 m, 1881.	101 x	102
do stock.			do 2 m, 1905.		100
Indianapolis & Vinc's 1st 7s gr.	105	110	MISCELLANEOUS STOCKS.		
Indianapolis & St. Louis 7s.	80	90	Columbus & Xenia.	50	125
Io Falls & Sioux City 1st 7s.	105	110	Cin, Ham & Dayton.	100 x	74
Jack. Lansing & Sag. 1st m.	105	110	Dayton & Mich 3½ guar.	50 x	54
Jeffville, Mad & Ind 1st m 7s.	111		Little Miami.	50	121
Kala zoo & South H 8s guar.					

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Asked	SECURITIES.	Bid	Asked
Marietta & Cin 1st pref.....50	.....	5	Rich and Dany 1st con 6.....	102	.....
do do 2d do.....50	.....	3	do do Piedmont 8s.....	114	.....
Cin Gas Light & Coke Co....100	166	167	do do 1st 8s.....	.....	.....
SOUTHERN SECURITIES.			Southside Va 1st m 8s.....	109	111
CITIES.			do do 2d m guar 6s.....	100	.....
Atlanta, Ga 7s.....	106	107	do do 3d m 6s.....	90	.....
do do 8s.....	108	112	do do 4th m 8s.....	.....	.....
Augusta, Ga 7s bonds.....	104	108	Southwest R R, Ga 1st m.....	106	108
Charleston stock, 6s.....	70	75	do do do stock.....	105	108
Charleston, S. C. 7s F L bonds..	107	111	S. Caro R R, 1st m 7s, new.....	105	.....
Columbia, S. C. 6s.....	50	60	S. Caro R R 6s.....	.....	.....
Columbia, Ga. 7s bonds.....	80	90	do do 7s 2d.....	73	76
Lynchburg 6s.....	100	103	Virginia and Tenn 2d 6s.....	102	104
Macon 7s bonds.....	80	90	do do 3d 8s.....	116	119
Memphis bonds 6s.....	29	33	West Ala, 8s guar.....	110	112
do new consols.....	40	50	Wilmington and Weldon 7s.....	110	113
do end, M & C R R.....	27	.....	PAST DUE COUPONS.		
Mobile 5s.....	25	.....	Tennessee State coupons.....	10	20
do 8s.....	25	.....	Virginia consol coupons.....	83	88
Montgomery 8s.....	30	.....	Memphis city coupons.....	20	.....
Nashville 6s old.....	90	100	South Carolina consols.....	.....	.....
do 6s new.....	95	.....	BOSTON.		
New Orleans 5s.....	29	31	STATE BONDS.		
do consol, 6s.....	35	40	Maine 6s 1889.....	113½	.....
do bonds, 7s.....	30	.....	N. Hampshire 6s 1876-84.....	114½	.....
do to railroads 6s.....	32	.....	Vermont 6s, 1874-78.....	.....	.....
Norfolk 6s.....	100	105	Massachusetts 5s, 1883, g.....	108¾	.....
Petersburg 6s.....	102	104	CITY BONDS.		
Richmond 6s.....	104	107	Boston 5s, 1880-86, gold.....	103	.....
Savannah 5s.....	79	82	do do 6s, currency.....	116	.....
RAILROADS.			Chic 7s, 1890-95, riv. impr.....	114	.....
Atlantic & Gul, consol.....	104	106	do do 1884.....	104½	.....
Central Georgia cons, 7s.....	110	112	RAILROAD STOCKS AND BONDS.		
do do stock.....	91	91	A T and Santa Fe, 1st m 7s.....	.....	116½
Charlotte Col & A. 1 m 7s.....	105	107	do do L G.....	130	115
do do stock.....	40	.....	do do stock.....	130	.....
E Tenn & Georgia 6s.....	99	101	Bost and Alb'y 6½, '75 (W RR).....	112½	.....
East Tenn, Va & Geo 1st m 7s.....	109	111	do do 7s, 1892.....	122	.....
do do stock.....	80	.....	do do stock.....	146½	.....
Georgia R R 7s.....	112	115	Boston and Lowell 7s, 1892.....	115½	.....
do do stock.....	104	107	do do stock (par 500).....	98	99
Greenville & Col 7s guar.....	100	110	Boston and Maine, stock.....	128¾	.....
do do 7s certiff.....	98	110	Boston and Providence, stock.....	137	.....
Macon & Western Stock.....	104	107	Bur & Mo R 7s, '93, land grant.....	114½	.....
Macon & Augusta bonds.....	95	.....	do do 8s, 94, conv.....	108	108¾
do do endorsed.....	100	105	do do 8s, 83 (in Neb).....	.....	.....
Memphis & Charleston 1st 7s.....	102	104	Chicago, Bur and Quincy.....	124	.....
do do 2d 7s.....	97	100	Bur & Mo Riv stock (in Neb).....	147½	148¾
do do stock.....	30	32	Cheshire 6s, 1898.....	105	.....
Mississippi Central 1st m 7s.....	105	107	do do preferred stock.....	54¾	55
do do 2d m 8s.....	107	109	Cin, San, and Cleve, 7s, 1890.....	90	92
Mississippi & Tenn 1 m.....	113	115	do do com stk (par 50).....	.....	14¾
do do cons, 8s.....	100	102	Concord stock (par 50).....	91	.....
Motg'y and West P, 1st 8s.....	103	106	Conn and Pass Rivs 7s, 1893.....	110	.....
do do 1st end.....	.....	.....	do do 7s, notes.....	.....	64
Mobile and Ohio Sterling.....	80	.....	Connecticut River, stock.....	141	.....
do do do ex cts.....	80	.....	Eastern stock.....	38½	.....
do do 8s interest.....	40	.....	Fitchburg, stock.....	123¾	.....
N Orleans and Jackson 1st m.....	111	114	Manch and Lawrence stock.....	.....	.....
do do 2d m.....	111	114	Nashua and Lowell, stock.....	.....	.....
Nash and Chattanooga 6s.....	98	102	Northern (N. H.) stock.....	.....	97
Norfolk and Petersb 1st m 8s.....	110	.....	Norwich and Worcester stock.....	137	.....
do do 2d do.....	107	130	Ogdenburg and L Champ stock.....	31¾	32
Northeastern, S C, 1st m 7s.....	125	.....	do do pref stock.....	75	78
do do 2d do.....	110	.....	Old Colony stock.....	.....	112
Orange and Alex 1st 6s.....	105	.....	Phil, Wil & Balt stock (par 50).....	70¾	.....
do do 2d 6s.....	83	87	Portl, Saco & Portsmouth st'k.....	105	.....
do do 3d 8s.....	83	90	Portsmouth, Gt F & Con'y s.....	78	.....
do do 4th 8s.....	.....	.....	Rutland pref. stock.....	29½	.....
Rich and Peters' b 1st m 7s.....	.....	.....	Vermont and Canada stock.....	19¾	.....
do do 2d m 6s.....	.....	.....	Vt. Ct. 1st m 7s, 1886 cons.....	103¾	.....
do do 3d m 8s.....	102½	105	do do 8s, '91.....	116	.....
Rich and Fred'b and Pot 6s.....	102	.....		
do do do con 7s.....	105	.....		

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid	Askd
Vermont and Mass. ....	.....	.....	West Penn 6s, coup, 1893.....	104	105
do do stock.....	.....	.....	do 6s. p b c, 1896.....	105	.....
Worcester and Nashua.....	.....	.....	
MISCELLANEOUS STOCKS.			CANAL BONDS.		
Boston Land Co.....	9 $\frac{1}{2}$	9 $\frac{1}{2}$	Lehigh Nav. m 6s, r 1884.....	107	110 $\frac{1}{4}$
Boston Water Power.....	13 $\frac{1}{4}$	13 $\frac{3}{8}$	do M. R. R. r, 1897.....	109	110
Pullman Palace Car.....	115	.....	do M conv g. r. 1894.....	104	.....
			do M. gold, r. c, 1897.....	106	106 $\frac{1}{2}$
PHILADELPHIA.			do cons m 7s r, 1911.....	104 $\frac{1}{4}$	104 $\frac{1}{2}$
STATE AND CITY BONDS.			Schuyl. Nav. 1st m 6s, reg 1897.....	101	.....
Penn. 5s, new, reg. '92 1902.	115	.....	do 2d do r. 1907.....	76 $\frac{1}{2}$	79 $\frac{1}{2}$
do 6s, 10-15, reg. '77 1882.....	101 $\frac{1}{4}$	.....	do m 6s, coup, 1895.....	74	80
do 6s, 15-25, reg. '82 1892.....	107	107 $\frac{1}{2}$	do 6s, bt&car r 1913.....	71 $\frac{1}{2}$	75
Philadelphia 6s, old.....	104	.....	do 7s, bt&car r 1915.....	80	84 $\frac{1}{2}$
do 6s, new, over 1895.....	121	122			
Pittsburg 5s, reg. 1913.....	95	.....	RAILROAD STOCK.		
do 7s, water loan.....	.....	115	Camden & Atlantic pref....	30	33
do 7s, street improv.....	105	.....	Catawissa.....	50	15 $\frac{1}{4}$
			do pref.....	52	52 $\frac{1}{2}$
RAILROAD BONDS.			do new pref.....	51	.....
Allegheny V R R 7-10, '96.....	117 $\frac{1}{2}$	117 $\frac{1}{2}$	Elmira & Williamsport.....	50	34
Bel & Del R R, 1st m 6s, 1902.....	112	115	do pref.....	50	50
do 2d do '85.....	106	.....	Lehigh Valley.....	50	52 $\frac{1}{2}$
do 3d do '87.....	101	102	Little Schuylkill.....	50	54 $\frac{1}{2}$
Cam & Amboy R R 6s, 1883.....	104	105	Minehill.....	58	54
do do do 6s, 1889.....	107 $\frac{1}{4}$	.....	Nesquehoning Valley.....	54	55 $\frac{1}{4}$
do do do m 6s, 1889.....	114	114 $\frac{1}{4}$	Norristown.....	50	101 $\frac{1}{2}$
Cam & A. T. 1st m 7s, gold, 1893.....	115	120	Northern Pacific.....	50	29 $\frac{1}{2}$
do 2d do cur, 1879.....	113	.....	do pref.....	53 $\frac{1}{4}$	54 $\frac{1}{4}$
Cataw R R new 7s, 1900.....	108	110	North Pennsylvania.....	50	50
Connecting R R 6s, cp. 1900.....	115 $\frac{1}{4}$	116	Pennsylvania.....	50	54 $\frac{1}{2}$
Del & B B R 1st m. 7s, 1905.....	108	110	Philadelphia & Reading.....	50	33 $\frac{1}{2}$
El. & Wmsp't R R, 1 m, 7s, '80.....	108	110	Pitts. Titus, & Buffalo.....	18 $\frac{1}{2}$	19
do do 5s c. perpe'l.....	82 $\frac{1}{4}$	.....	St. Paul & Duluth.....	37	.....
H. & B. T. 2d m 7s, gld 1895.....	109	110	do pref.....	.....	65
do 3d do cur. 1895.....	67	70	United Cos. of N. J.....	100	160
Lehigh Valley, 1st m, 6s, c, '98.....	118	118			
do do reg '98.....	118	121	CANAL STOCKS.		
do 2d m. 7s, reg 1910.....	125	125 $\frac{1}{2}$	Lehigh Navigation.....	50	36 $\frac{1}{2}$
do cons. m, 6s reg, 1923.....	111	112	Morris Canal grd 4 p c.....	100	37 $\frac{1}{2}$
do do 6s, coup. 1923.....	111	113	do preferred 10 p c.....	100	.....
N Cent. 2d gd. m. 5s, cp'n 1926.....	79	79 $\frac{1}{4}$	Schuylkill Navigation.....	.....	8
North Penn, 1st m 6s, c. 1885.....	108 $\frac{1}{4}$	108 $\frac{1}{2}$	do do pref.....	.....	16
do 2d m 7s, c. 1896.....	116	116 $\frac{1}{2}$			
do gen. m 7s, c. 1906.....	.....	116 $\frac{1}{2}$	BALTIMORE.		
do do reg., 1906.....	.....	116	Maryland 6s, defence, J. & J... ..	108	109
Oil Creek 1st m 7s, coup '82.....	98 $\frac{1}{2}$	100	Virginia 10-40s, J. & J.....	38 $\frac{1}{2}$	39 $\frac{1}{2}$
Pitts'h Titus & Buff 7s, c. 1896.....	83	84	do deferred, J. & J.....	7	8
P & N Y C. & H. R. 7s, r & c 1896.....	119	124	do consol. do.....	53 $\frac{1}{4}$	54
Penna. 1st mort 6s, c. 1880.....	102 $\frac{1}{2}$	102 $\frac{1}{2}$	do do 2ds do.....	22 $\frac{1}{2}$	23 $\frac{1}{2}$
do gen do 6s, c. 1910.....	117	117 $\frac{1}{4}$	do consol coup, p due.....	86	86 $\frac{1}{2}$
do do do 6s reg 1910.....	118 $\frac{1}{4}$	.....	do do June 1889.....	.....	.....
do consm, 6s reg. 1905.....	112	115	N. Carolina 6s, Jan. & J., old..	28	30
Phila & Erie 1st mort 6s c 1881.....	101	.....	Tennessee 6s, do old.....	34	37
do 2d mort 7s, c 1888.....	110	113	do 6s, do new.....	30	.....
Phila & Reading 1st m 6s, 1880.....	101	102	do 6s, do n. s.....	30	.....
do 2d m 7s, c 1893.....	111	115 $\frac{1}{2}$	Balt. 6s, J., A., J., O., 1890.....	113 $\frac{1}{4}$	113 $\frac{1}{2}$
do cons m 7s c 1911.....	118	118 $\frac{1}{2}$	do 6s, J. & J., 1902.....	120	.....
do do m 7s r 1911.....	118 $\frac{1}{2}$	118 $\frac{1}{2}$	do 5s, M. & N., ex., 1916.....	109	.....
do do 6s, gr & c 1911.....	106	.....	Memphis City 6s, J. & J., n.....	.....	.....
Pitts, Cinn. & St. L 7s c 1900.....	115	115 $\frac{1}{2}$	Balt. & Ohio, May & N.....	156	157
Tex & Pac 1st m, 6s, g 1905.....	108 $\frac{1}{2}$	99	do 1st preferred.....	116	120
do cons m, 6s, g 1905.....	.....	90	do 2d do.....	108 $\frac{1}{2}$	109
Un & Titus 1st m, 7s, 1890.....	89	90	Northern Central, M. & N.....	50	33 $\frac{1}{2}$
War. & F. 1st mort. 7s, c 1896.....	101	101 $\frac{1}{2}$	Central Ohio, June & Dec.....	50	40
West Jersey 6s, d coup 1883.....	.....	104	do preferred.....	50	49
West Jersey 1st mort 6s, c 1896.....	110	118	City Passenger R'y, J. & J.....	25	30
do do 7s, r & c '99.....	110	120			

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Asked	SECURITIES.	Bid	Asked
Balt. & Ohio 6s, 1880, J. & J.....	101½	102	Louisville Bridge Co. 7s.....	*109	110
do 1885 A. & O.....	106	107	RAILROAD BONDS.		
Pitts. & C. 1st 7s, 1898, J. & J.....	114	114¾	Greensbury Branch.....	*108	*109
N. Cent. 6s, 1885, J. & J.....	108	109	Louis. and Nash. Leb. Br.....	*101	102
do 6s, 1900, A. & O.....	109	110	Louis. and Nash. Cons.....	*115	
do 6s, gold, 1900, J. & J.....	109	109½	L. and N. 2d mort.....	*114	*105
Cen. O. 6s, 1st m., 1890, M. & S.....	108	110	Louis., Cin. and Lex. 1 m 7s.....	*114	*115
South Side, 1st 8s, J. & J.....	108	110½	do do 2 m 7s.....	*105	106
do 2d 6s, do.....	98		Jefferson. M. and I. 1st m 7s.....	*111	115
do 3d 6s, do.....	93		do do 2d m 7s.....	104	105
Cin. & Baltimore 1st 7s.....	100	110	Eliz. and Paduc. 1st m. 8s.....		
W. M. 1st m 6s gu. 1890, J. & J.....	112		E. and P. Louisville Br'ch 7s.....		
do 1890, J. & J.....	108	109	Shelby, 1st mortgage 8s.....	101	102
W. Maryland 2d m (pref).....	99	100½	Owensboro and Russel. 1 m 8s.....		
W. M. 2d m. 6s gu. by W. Co.....	108		MISCELLANEOUS BONDS.		
M. & Cin. 1st m 7s F and A 1892.....	109½	109½	Kentuc. State bonds (old) 6s.....		
do 2d m 7s M. and N.....	80½	80½	do do (new) 6s.....		
M. & Cin. 3d m 8s 1900 J. and J.....	47	48	New Albany City.....	*107	
Rich. & Dan. 1st m. M. and N.....	104		Water Works bonds, 6s.....	*107	108
Union R. R. End. Cant. Co.....	110	113	Louisville Transfer Co. 8s.....	*108	108
Canton Co., 1st 6, gold, J. and J.....	110		STOCKS.		
Orange, Alex. and Mn's 7s do.....	83	84	Louisville and Nashville R. R.....	135	140
Orange & A. 1st 6s, M. and N.....	108		Gas Company stock.....	110	111
do 2d 6s, J. and J.....	110	111	Louisville Bridge Co. stock....	112	113
do 3d 8s, M. and N.....	78				
do 4th 8s, M. and S.....	47	49	ST. LOUIS.		
Virginia & Tenn 6s 2d J. and J.....	102		CITY AND COUNTY BONDS.		
do 8s, J. and J.....	117½	120	City water (is. '67) 6s gold.....	106½	
W. & W. 7s gold 1900 J. and J.....	110	115	City water (is. '70) 6s gold.....	107½	
W. and Columbia and Aug. 7s.....	55½	57	City water (is. '72) 6s gold.....	107½	
Ohio & Miss. 2d 7s, A & O.....	110		City sewer (is. '73) 6s gold.....	107½	
Balt. Gas, J. and Dec.....	100	180	City park 6s gold.....	107½	
do gold certif.....	100	103	City bldg approach 6s gold.....	107½	108½
People's Gas, J. and J.....	25	25¾	City 6s Currency.....	107½	
Consumer's Gas.....	7	7½	County 6s, gold various.....	107½	
do gold 6s, J & J, 1892.....	105	107	County 6s, gold of 1892.....	107½	
Georges Creek Coal, J & J.....			do do 1893.....	107½	
Chesapeake and O. Canal bonds.....	86	90	County 7s, Currency.....	107½	
Balt. Warehouse Co. J & J.....	19	20	RAILROAD BONDS		
Cincinnati 7-30s, J. and J.....			At. & Pac. 1st Cent. div.....		
Norfolk Water, 8s.....	119		Denver Pacific and Telegraph.....		
			Kan. Pac. 1st m. F. and A.....		
LOUISVILLE.			do 1st m. J. and D.....	116	
CITY AND CANAL BONDS.			do 1st m. (Lea. br.).....		
City improvement 6s.....	*104½	105½	do income No. 11.....		
do bounty 6s.....	*104½	105½	do income No. 16.....		
do school 6s.....	*104½	105½	do (Den. ext.) 1 m.....		
do wharf (old) 6s.....	*104½	105½	Kan. Pac., 1st m. L. G. 7s.....		
do do (new) 6s.....	*104½	105½	Missouri Pacific 1st mort.....	105½	106
do water works (old) 6s.....	*104½	105½	do do 2d do.....		
do do (new) 6s.....	*104½	105½	North Missouri, 1st mort.....	116½	116¾
do L. and N. R. R. (M. S.) 6s.....	*104½	105½	RAILROAD STOCKS.		
do L. and N. R. R. (L. E.) 6s.....	*104½	105½	St. Louis & San Francisco.....		
do E. and P. R. R. 7s (old).....	*108	*109	do do pref.....		
do E. and P. R. R. 7s (new).....	*111	112	do do 1st do.....		
do old liabilities due 1880.....	*101		Kansas Pacific.....		
do St. Louis A. L. R. R.....	*106	*107	Pacific of Missouri.....		
Canal bonds, 3d issue, 6s.....	*100	*101	St. L. Kan. C. and Nort. pref..		
do 4th issue, 6s.....	*106	*107	do do common.....		

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NATIONAL BANKS AND SPECIAL DEPOSITS.

An ordinary deposit of money with a bank places the bank and the depositor in the relation of debtor and creditor. The latter parts with the title to his money and loans it to the bank. Special deposits are those in which the title to the thing deposited remains with the depositor, the bank becoming his bailee, and is subject to the law of bailments. Special deposits are usually what are known as naked bailments, and consist of valuables, houses, securities, jewelry, plate, money, etc., which are placed in the vaults of the bank at the request of the owners, for safe keeping without recompense or profit to the bank, and merely for the accommodation of those making the deposit. In such cases the bank is bound to use ordinary care to prevent such deposits from being stolen or lost, and is responsible for gross carelessness only. The term gross carelessness is a vague one which it is difficult to define, but according to the approximate definitions given by judges in their charges to juries, it means a lack of the care which an ordinarily prudent man takes of his own valuables of a like description. This leaves a great latitude of judgment to a jury upon the peculiar circumstances of each particular case.

Several suits have been brought against national banks in order to establish responsibility for special deposits lost or stolen. The main plea which has been interposed in defense is, that national banks are not by their charters permitted to receive special deposits.

In the suit brought by the Lyons National Bank against the Ocean National Bank, the former had left U. S. bonds with the cashier of the latter for safe keeping, and the bonds were stolen. It was argued that a national bank has no power to receive special deposits, and that even if it be admitted that such power is granted by the national bank act, it is an implied or incidental power, one which may or may not be exercised, according to the business usage of each particular banking association. If the exercise of this power is not incidental to or part of the ordinary banking usage of a particular bank, then

in order to make such bank responsible as bailee, a special contract must be entered into with it. Such contract cannot be made by the president or cashier of the bank without the consent of the board of directors, for although these officers may bind the bank by their acts when within the scope of its usual and customary business, they cannot do so by an act which is unusual and outside of the ordinary business of the particular corporation. It was proved that the Ocean National Bank was not in the habit of receiving special deposits, that there was no special contract with the Lyons National Bank, and that the cashier of the former bank in receiving the bonds acted without the knowledge of his board of directors. On the other hand no attempt was made to prove that receiving special deposits was a usual practice with national banks. Without, therefore, deciding on the power of national banks to receive special deposits, the case was, on the other grounds, decided in favor of the defendant, and this notwithstanding the fact that gross carelessness was proved in the case of the bonds.

In the suit brought by Wiley against the First National Bank of Brattleboro, Vt., bonds were deposited with the cashier, and a receipt taken from him. The bonds were stolen and the court decided that the bank was not liable. There was no evidence that the bonds were in any way converted to the use of the bank. The transactions by which the plaintiff claimed that the bank became the depository were wholly with the cashier. The court held that there could be no controversy but that, if the taking of the bonds for safe keeping, as they were taken by the cashier, was within the scope of the corporate business of the bank, then the bank did become subject to liability. The court claimed that the receiving of special deposits is not in any sense necessary to carrying on the business of banking, and does not come under the head of the powers specially granted to national banks or under the head of incidental powers. The officers of a national bank have no power to bind the bank to any agreement which is not within the powers specific or incidental granted by the charter. They cannot in this way jeopardize the interests of the stockholders. Any liability a cashier so incurs is for himself and not for the bank.

In the cases brought against the National Bank of Fishkill for the recovery of the value of bonds stolen by the cashier, it was decided that the bank was liable on the ground that the proceeds of the stolen bonds accrued to the benefit of the bank, the cashier having hypothecated the bonds to raise the money with which he covered up his irregular overdrafts previously made. The ground is plain that a corporation is liable for the torts of its agents when it receives a benefit from them.

In the suit of Pattison against the Syracuse National Bank the main point made by the bank was that a national bank has no authority to receive special deposits for safe keeping, and therefore, although the deposit was made with the teller, who assumed to act

for the bank according to its usual practice, with the knowledge of its managers, and although the loss occurred through gross negligence on the part of the part of the officers of the bank, the bank incurred no liability. The court decided that it has been the common practice of banks from the earliest times to receive special deposits, that this power is granted to national banks first, under the head of incidental powers, and second, by implication under the authority of section 5,228 of the Revised Statutes of the U. S., which provides that after an act of insolvency a bank must cease to do business, except to receive and safely keep money belonging to it, and to deliver *special deposits*. As the power is so granted to these banks, and as the bank is responsible for whatever its officers may do within the ordinary course of business while working within their charter, the bank is liable as bailee, that is if gross carelessness is proved.

The Supreme Court of the U. S. in the case of *Graham against the First National Bank of Carlisle*, expresses the opinion that national banks are authorized to receive special deposits by implication in section 5,228 of the U. S. Revised Statutes above referred to, and that when under this authority it becomes the naked bailee for any person it is liable for gross carelessness.

The whole matter appears to rest on two questions, one of them a question of law and the other of fact. In order to establish the liability of a national bank for lost special deposits its power to receive them under its charter must be allowed, and second, when the power has been allowed, gross carelessness in the care of the deposits must be proved. In the *Ocean National Bank* case the further point was made that even if the bank did have the power under its charter, if such power was not exercised in its usual business it would be necessary for the officers to have the consent of the directors to exercise it in special cases, in order to bind the bank by their action.

In spite of the last two decisions quoted, it still seems doubtful whether it was the intention of the national bank act to grant the power of receiving special deposits to national banks. The argument that the power is one incidental to banking, and therefore granted, seems strained, since it has generally been held that the incidental powers granted in the banking law were powers incidental to the powers specifically granted and not additional thereto. It seems open to criticism to say that a general banking business cannot be conducted without of necessity receiving special deposits, and to quote the practice of ancient banks, as applicable to modern times as was done in the *Syracuse* decision. There are many banks that conduct a general banking business without ever receiving a special deposit. Anciently a bank was a trading establishment, a commercial bank, and a safe deposit company, all joined in one, but in modern times all these are separated. The expression special deposits which occurs in section 5,228 of the Revised Statutes, and which forms the strong point

in the two decisions last given, is quite capable of another construction from that put upon them. It is easy to conceive of a special deposit that would come within legitimate banking. For example, the deposit of a tender of money to pay a note, on its face payable at the same bank where the money to meet it is left.

However this may be, enough has been said to show that the receiving of special deposits by national banks is a practice more apt to be detrimental than profitable to their stockholders, that there is still room for doubt whether it is permitted to national banks by their charters, and that it is certainly outside of a strictly banking business.

It is a question of serious interest to the stockholders of national banks, to what extent the officers can with or without the consent of the directors, make the bank liable for the loss of special deposits. The advantages of accepting gratuitously the care of such deposits are greatly outweighed by the disadvantages. In every community the owners of bonds, securities and other valuables desire a safe place in which such bonds, etc., may be kept. The first places they think of are the banks. Many of these parties are the customers of the banks, and if they are refused the privilege of keeping their valuables in the safe of the bank they deal with they may become offended, withdraw their custom, and deal with some rival bank. Bank officers and directors feel obliged to accommodate their customers, especially in the places where there are no safe deposit companies for the keeping of valuables. The bank and its stockholders may thus by permitting the use of its vaults, reap some indirect benefit. The objections are that without any direct compensation the bank assumes custody of valuables which do not appear on the balance sheet of its daily business, and becomes responsible for their delivery to their owners. The fact of valuable deposits which do not enter into the daily balance sheet being in the vault of the bank, is a constant temptation to dishonest officers and employees, and to other thieves. They can be taken and disposed of without being immediately missed. A dishonest cashier can embezzle the money of the bank and for an indefinite time can cover up his peculations by the judicious use of these valuables. In such cases when the true condition of the bank is discovered, and the causes traced, it will be found that the great opportunity was given by the special deposits. It would, therefore, be a benefit to banks generally, and national banks in particular, if this unprofitable and dangerous business could be entirely turned over to the safe deposit companies specially organized and prepared for taking care of valuables. If this cannot be done, when such special deposits are received, an understanding should be had that the deposit is made entirely at the depositor's risk.

SCHOOL SAVINGS BANKS IN FRANCE.

THE RISE AND PROGRESS OF THE SYSTEM.

[By M. A. De Malarce, Perpetual Secretary of the "Société des institutions de Prévoyance" of France. Translated for RHODES' JOURNAL OF BANKING.]

THIRD AND CONCLUDING PAPER.

The report which I drew up on the School Savings Banks in England, Belgium and Austria, was most effectual in drawing the attention of the public authorities, teachers, and savings bank officials to the subject, while the press gave a great deal of space to the national and social aspects of such banks. The total number of School Savings Banks in France is now (August, 1879) upwards of twelve thousand. The teachers have cheerfully undertaken the charge of the banks, nor have the Mayors and the officials of the regular savings banks been less zealous in forwarding the work. The latter officials, especially in Bordeaux, Nancy, Beauvais, Troyes, &c., have not been the imitators, but have even defrayed the preliminary expenses. In a few departments only have the savings bank officials shown any opposition to what they considered an increase of unremunerative work. One official tried to make the teacher do the whole duty incumbent on the savings banks, another gave out different bank-books from those in common use, and entitling to a less rate of interest. These were exceptional cases, however, but it is recommended to pay the employees in proportion to the increased business of the bank, in order to interest them in the progress of school savings banks, and as a matter of justice. Several municipal and departmental bodies have voted allowances for the above purpose, as well as for the remuneration of teachers, and the providing of the necessary printed forms and stationery.

The great secret of success has been the free initiative which is left to pupils and teachers, by which means a local pride in the bank is fostered. The Manual of School Savings Banks has also been a great agent by fully explaining the system of keeping the books and managing the institution. Not only the growing but even the present adult population is benefited by the School Banks, owing to the peculiar family character or popularization of economy and savings.

The influence of the banks in forming habits of sobriety and order cannot be over-estimated. The Italian Minister of Finance once made use of a very happy expression in characterizing the Schools, "They rendered the savings bank palpable for the pupil." The Belgian Government has set aside a certain sum for awarding medals and prizes in books and money for teachers who have shown especial zeal in the work. The official Belgian report attributes the great increase

in the number and amount of deposits in the National Savings Bank to the School Banks, and this is not confined to any particular locality. The Italian Government has also passed a law relating to School Savings Banks, and one of its articles is to authorize awards to teachers who obtain good educative results. The system of *Bons-Points centimes*, by which pupils were encouraged to save, was tried in 1876, at Sannois, and has since been successfully adopted in various places.

National Banks and Real Estate Loans.

The opposition to the National Banking system appears to have taken another form. It has, heretofore, been more open and violent. Measures looking to the abolishment of the system have been the favorites with its opponents. Some of these measures were for summary, and others for gradual abolishment. The new plan is more insidious, and consequently more dangerous. The latest scheme is made manifest in the report made by Mr. Davis, of the Committee on Banking and Currency of the House of Representatives, recommending the passage of a bill permitting National Banks to hold one-fourth of their capital and surplus on real estate security.

The authors of the National Bank Act very properly guarded the dealings of these banks in real estate, by omitting the power to loan money upon it, from the powers which were specifically, or ^{by} implication granted. They provided that for four purposes national banks might purchase, hold, and convey real estate: 1st. Such as is necessary for the immediate accomodation of a bank in the transaction of its business; 2d. Such as is mortgaged to it in good faith for debts previously contracted; 3d. Such as is conveyed to it in satisfaction of debts previously contracted in the course of its dealings; and 4th. Such as it purchases at sales under judgment decrees or mortgages held by it, or to secure debts due to it. They moreover, specifically provided that no association can hold possession of real estate under mortgage on the title, and possession of real estate purchased to secure debts due to it, for a longer period than five years.

The intention was that national banks should do a strictly commercial business, and that at all times they should, as far as possible, have their means at command for such business. The taking and holding of real estate other than the necessary banking office, is only permitted as an ultimate resource to avoid loss on loans legitimately made. A national bank holding a large amount of real estate, is usually one which has to a greater or less extent been unfortunate in its business, and has been compelled to resort to this ultimate security.

The Committee on Banking and Currency bewail the disadvantages at which the agricultural classes of the country are placed as to

banking accommodations, when compared with the commercial and manufacturing classes. They say that thrifty farmers who have only fertile fields to mortgage as security for their loans, cannot obtain the accommodations from the national banks which are afforded to the merchant and the manufacturer, and that a permission to loan on real estate will obviate this alleged unfairness.

It is nevertheless true that banks, whether national or not, managed by those who understand and live up to the principles of commercial banking, wish to have as little as possible to do with real estate security. If all banks were so managed, there could be but little danger to be feared from the proposition of the Committee. The national system being free to all, there are, as there must be in every free banking system, many banks organized under it which are managed by those who do not always adhere to true banking principles. Any free banking system which is to a certain extent guaranteed by the government, must have safeguards thrown around it. It is probable that if the safeguard in reference to loans on real estate be removed to the extent proposed by the Committee, or to any other extent, the result will be that many national banks will yield to temptation when good personal notes are scarce, and invest much of their available resources in real estate.

If it were the thrifty farmer who came forward with his fertile and unincumbered acres, there might not be so much danger to the banking system; but it is not the thrifty farmer who has any occasion for mortgaging his land. He can now obtain whatever he may have occasion for on his personal security, which is amply backed up by his fertile and unincumbered acres. If he is very thrifty he probably needs no loans at all. The offers will, however, usually come, not from the thrifty farmers and real estate owners, but from those who are in difficulties, whose credit is bad, and whose real estate is unproductive.

The national banks as the law now is, and as the courts have again and again decided, can resort to real estate on all occasions when there is necessity of securing losses, and well managed national banks have no desire to resort to it on any other occasion.

The real estate in any community rises in value, and improves as a security just in proportion to the improvement in the condition of the commercial and manufacturing interests of the community. If these interests are flourishing there is no necessity of resorting to loans on real estate to find profitable use for the money of the banks. If, on the other hand, these interests begin to droop, and real estate is looked to as security for loans, it has already become, and is continually becoming a security of doubtful and decreasing value.

Such a measure as that proposed by the Committee on Banking and Currency, might, if the power granted should be exercised to any great degree, encourage speculation, and speculative agricultural business for a short time, but in a few years at most, a settling day

would come, and a large number of national banks would find themselves loaded down with unavailable and depreciated real estate, and it would be impossible to avoid widespread failure. Should such a result be achieved by this measure, it would stir up a popular clamor against national banks, which would have some satisfactory basis.

IMMIGRATION TO THE UNITED STATES.

ITS NATIONAL CHARACTER, AND IMPORTANCE TO THE INDUSTRIES AND PROSPERITY OF THE COUNTRY.

The value of immigration to this country can hardly be over-estimated. We should welcome willing workers from every land and clime. There is plenty of room and plenty of work for them in this broad domain. But, at the same time, we should see to it that this country is not made a refuge for the outcasts of foreign lands.

A bill to regulate immigration was before the Forty-Fifth Congress, and it was again brought to the attention of the present Congress—the Forty-Sixth. Whether or not that body can spare enough time from president-making to seriously consider the subject, yet remains to be seen.

At any rate, the bill has an earnest advocate in Hon. Levi P. Morton, member from New York, as well as the hearty approval of the entire New York delegation. The bill provides for a report of the name, place of birth, last legal residence, age, and occupation of every immigrant upon arrival. It also provides for a specific report of all paupers, convicts, lunatics, idiots, and deaf and dumb, blind, maimed, and infirm persons, and of all immigrants who are unable to support themselves. It prohibits the landing of those who have within six months previous to their arrival been inmates of lunatic asylums or poor-houses, and provides for their return at the expense of the ship that brought them. It guards against the introduction of persons charged with crime, who shall be pardoned upon condition of their coming to the United States. This latter provision is one which demands immediate attention.

When the bill was under consideration in the House, Mr. Morton, of New York, delivered a speech on the subject which contains so much of interest regarding immigration, that we gladly present it to our readers. He said:

The bill authorizes the Secretary of the Treasury to resort to institutions and hospitals scattered over the country for the care of the immigrants, and provides the proper penalties for the enforcement of these provisions.

Until 1876, it was confidently assumed that the States possessed the general power of passing all laws necessary and proper for pro-

tecting themselves against the introduction of foreign paupers, lunatics, convicts, and others unable to live without being a public burden.

The decision of the Supreme Court of the United States in that year virtually deprived the States of the power which had been assumed, by holding that the only practicable exercise of it conflicts with the rights and powers of the General Government. In this decision the Supreme Court declares that—

We are of opinion that this whole subject has been confided to Congress by the Constitution; that Congress can more appropriately and with more acceptance exercise it than any other body known to our law, State or National; that by providing a system of laws in these matters applicable to all ports and to all vessels, a serious question, which has long been a matter of contest and complaint, may be effectually and satisfactorily settled.

The unprecedented prosperity of the American Republic brilliantly illustrates the advantages to the country of immigration in the past. Its importance in the development of our vast unoccupied domain, in recruiting our industries, and its bearing upon American civilization and American institutions in the future, cannot be overestimated.

With the establishment of the Pacific railways and the opening of unoccupied sections in the South, Southwest, and West, the tide of immigration will continue to increase.

The State of Texas alone, six times the size of the State of New York, would, if as thickly populated as Massachusetts, contain a population of fifty millions.

The great benefit of encouraging and protecting immigration inures not to the Atlantic States, not to New York only, but mainly to the Western and Southern States; but, while encouraging immigration, we must guard against spoliation upon the immigrant and the landing of paupers, destitutes and criminals upon our soil.

It is impossible fully to appreciate the value of immigration to this country without recalling to some extent the number of immigrants who have served to swell our population, and the skill, energy, and genius which they have added to the body-politic.

Authorities differ as to the wealth which immigration has brought to our shores. Mr. Edward Young, Chief of the Bureau of Statistics, in his report dated March 17, 1871, estimates the increase from this source for the fifty years preceding to be more than \$6,243,880,800, and for 1870, at \$285,000,000. But even this is based upon an estimate of the mere physical, uncultivated powers of the immigrants.

How shall we determine the measure of value to our country and its institutions of the rare intellects, the skilled artisans, and the creative geniuses who have poured in upon us from foreign lands? In all the walks of public and private life they have appeared and left their impress—in the avenues of commerce, in the workshop, and in the delicate functions of government.

What estimate can be placed upon the value to the country of that

skilled artisan and creative genius, Captain John Ericsson, the inventor of the Monitor, the Swedish emigrant who landed in New York in 1839—of the value of that almost invisible object, the creation of his brain, which under the command of that heroic sailor, Captain (now Admiral) Worden, proved on the 9th of March, 1862, such a glorious bulwark to American commerce and American ports?

What estimate can we place upon the value to the country of the millions of Irishmen and Germans to whom we largely owe the existence of the great arteries of commerce extending from the Atlantic to the Pacific, and the results of that industry and skill which have so largely contributed to the wealth and prosperity of the country?

From 1776 to 1820 about 250,000 landed in this country. From 1820 to 1875 about eight millions arrived, and of these eight millions, six millions entered the country at the port of New York.

The number of immigrants that have arrived during past eight years is as follows:

1872.....	233,256
1873.....	268,278
1874.....	149,762
1875.....	99,903
1876.....	75,026
1877.....	23,885
1878.....	79,801
1879.....	138,945

The arrivals in 1879 were nearly sixty thousand in excess of the previous year, and more than any year since 1874.

On the 19th of April 2,392 immigrants arrived at Castle Garden, and 2,916 on the 12th.

The arrivals on these two days alone exceeded the total population of Chicago forty years ago.

I hold in my hand a telegraph from Henry A. Hurlbut, Esq., President of the Board of Commissioners of Emigration, with the surprising announcement of the arrival of 4,200 immigrants at Castle Garden* to-day.

The number of immigrants landed at Castle Garden, New York, from January 1, 1880, to April 15, 1880, is 49,566, against 12,339 for the same period in 1876, 10,381 in 1877, 11,119 in 1878, and 15,716 in 1879. The nationality of the immigrant passengers landed at New York from January 1, 1880, to March 31, 1880, is as follows:

Germany.....	9,884
Ireland.....	7,143
England.....	4,537
Scotland.....	1,003
Austria.....	558
Hungary.....	1,407
Sweden.....	3,003
Norway.....	307
Denmark.....	481

* Thursday, April 22, 1880.

Netherlands.....	565
Belgium.....	304
Switzerland.....	1,479
France.....	508
Italy.....	1,770
Greece.....	138
Russia.....	718
Luxembourg.....	161
Bohemia.....	516
Various countries.....	193

The time has now arrived, however, when the magnitude of the subject and the inability of the States longer to establish regulations, makes interference by Congress a duty which cannot be evaded. It can no longer be safely left to take care of itself.

The condition of Europe to-day is such as to render it reasonably certain that, with the new era of prosperity upon which this country has entered, the number of immigrants will continue to increase largely. It remains for the National Government to do its part, alike for its own protection and that of the immigrant.

Immigration has not flourished without attendant evils. At a comparatively early date some of the States passed laws to meet and counteract them. It was soon perceived that, on the one hand, there were foisted upon our communities numbers of paupers, lunatics, and criminals, and, on the other hand, there grew up in our ports of immigration a class of men that preyed upon the poor and ignorant, crippling and oftentimes so completely stripping them as to make them charges upon the public bounty. These evils grew to such an alarming extent and filled the public with such abhorrence, that the Legislature of New York was prevailed upon to investigate the subject, and to devise for these evils a more comprehensive remedy.

The efforts of philanthropic and public-spirited citizens of New York finally resulted in the establishment of an institution, which, for the motives of those who inspired it, the character of those who managed it, and the helplessness of those who came within its fostering care, stood among the most benign and efficient in our land. I refer to the "Board of Commissioners of Emigration of New York." Through the exertions of Thurlow Weed, Archbishop Hughes, Moses H. Grinnell, Charles O'Connor, Robert B. Minturn, and other eminent citizens of New York, the passage of a bill to organize this board was secured in 1874.

The *personnel* of the first board was fixed by the statute itself. Especial care was taken to select public-spirited citizens of high intelligence and stern integrity, and resulted in the designation of Gulian C. Verplanck, James Boorman, Jacob Harvey, Robert B. Minturn, William F. Havemeyer, and David C. Colden, eminent, philanthropic, and distinguished citizens of New York, together with the Mayors of New York and Brooklyn, the President of the Irish Emigrant Society, and the President of the German Society, who were

made members of the board by virtue of their offices. The Board of Commissioners, is now appointed by the Governor, subject to the confirmation of the Senate.

The operations of this board extend throughout the State, and embrace in the city two great establishments: One at Ward's Island, opposite the city, the site of the State Emigrant Refuge and Hospital, in the district which I have the honor to represent. The other—Castle Garden—is an extensive inclosure at the foot of the city, under the exclusive control of the board of commissioners, where all the immigrants who arrive at the port of New York are landed, and which thus receives three-fourths of all the immigrants that arrive in the United States. It took eight years for this energetic board to so far overcome the prejudices of the public and the fierce opposition of the organized band of plunderers and thieves as to be able to secure this place, which was done in 1855.

It is enough to say that here the immigrants are protected from the corruption and depredations of panderers, plunderers, and thieves; that they here receive counsel, care, and assistance; that their property is protected, their friends discovered, their purposes ascertained, and the way to their destination pointed out. What a mother is to her child, this board and its servants are to helpless, ignorant strangers, many of whom do not understand the English language.

After nearly thirty years the powers of this board were paralyzed by the decision of the Supreme Court to which I have referred, and the whole subject was by that tribunal recommended to the consideration and control of Congress. The Court does not, it is true, declare that the board is unconstitutional or illegal; but it does declare that the exacting of bonds from masters, owners, or consignees of vessels to indemnify the State, as provided by her laws, is unconstitutional.

The duty of Congress in this matter is threefold: To protect the community from foreign paupers, lunatics, and criminals; to shield the worthy immigrants from the rapacity and corruption to which they are exposed, and at the same time to achieve these results without retarding or discouraging immigration.

Now, this bill has all these objects in view, and it contemplates effecting them by the appropriation of a general fund in lieu of the old and unconstitutional "head money," which really came out of the immigrants, although ostensibly paid by the steamship companies. There is no mode since the Supreme Court decision, except by Federal law, by which to guard immigrants against those who would prey upon them, and protect our people from the refuse of foreign prisons and poor-houses.

The bill appropriates \$250,000 for the purposes therein mentioned, and I shall propose to amend it as it was reported by the chairman of the Committee on Foreign Affairs, so that it will authorize the governors of the States, together with the Secretary of the Treasury, to

select the institutions which may take charge of immigrants requiring their care or maintenance, and will, furthermore, enable the Secretary of the Treasury to inquire into the management of these institutions, and the mode and manner of the treatment of immigrants therein.

The necessity of securing the landing of immigrants at Castle Garden was so apparent that the passage of a special act of the Legislature was secured by the board of commissioners in 1855 authorizing them to compel their landing at Castle Garden, which alone enabled the commissioners to effectually guard and protect the immigrants.

Prior to this, as early as 1847, the Legislature appointed a committee in reference to this very subject. This is the report they made. I will read such portions as are material:

Your committee must confess that they had no conception of, nor would they have believed, the extent to which these frauds and outrages have been practiced until they came to investigate them. *As soon as a ship loaded with these emigrants reaches our shores it is boarded by a class of men called runners, either in the employment of boarding-house keepers or forwarding establishments, soliciting custom for their employers.* If they cannot succeed in any other way in getting possession and control over the objects of their prey, they proceed to take charge of their luggage, and take to some boarding-house for safe keeping, generally under the assurance that they will charge nothing for carriage hire or storage.

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The keepers of these houses induce these people to stay a few days, and when they come to leave usually charge them three or four times as much as they agreed or expected to pay, and exorbitant prices for storing their luggage; and in case of their inability to pay, their luggage is detained as security, &c.

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Your committee have been shocked to find that a large portion of the frauds committed upon these innocent and in many cases ignorant foreigners are committed by their own countrymen, who have come here before them; for we find the German preying upon the German, the Irish upon the Irish, &c.

In brief this is the importance of such a place as Castle Garden, as stated by one of the board of commissioners, Mr. Kapp, in his able work on immigration:

This act (authorizing the purchase and occupation of Castle Garden) was as important as the one creating the board of commissioners, for it first gave the power to afford really efficient protection to the immigrant.

In view of these facts, legislation such as this bill provides becomes imperative. It would secure to the Government more exact statistics of immigration, and would enable it to invoke the aid of foreign states and the services of its own ministers and consuls in promoting such immigration. But there are other and more urgent ends to be accomplished by the bill. If immigration to these shores is to be encouraged, there must be some legal method of protecting ourselves from the influx of the most degraded and burdensome classes of foreign populations. If, on the other hand, the immigration of those who will advance our prosperity is to continue and increase, there must be such legal provisions as will protect the inexperienced stranger who lands for the first time upon our shores, from becoming the prey of every harpy who may choose to take advantage of his ignorance and helplessness.

INCOME AND EXPENDITURE.

THE GILBERT LECTURES ON BANKING—(SESSION OF 1880).

*Delivered at King's College, London, by Professor Leone Levi, F. S. A.,
Doctor of Political Economy.*

[The subject of national and personal income and expenditure is always of direct interest to the banker, both in a business point of view, and as an interesting study in the science of economics. Professor Levi in the following lecture treats the subject in its broadest sense, and his remarks, although addressed to an English audience, are equally applicable to the American banker, and we heartily commend them to our readers.—ED. JOURNAL.]

Lloyd's Register of British and Foreign Shipping, a volume which underwriters daily consult, contains information respecting vessels, their age, materials, repairs, owners, captains, and every vicissitude in the life of every ship which underwriters may be called upon to insure. And, if I am well informed, there exists in the City of London a book of reference respecting a large number of mercantile houses, containing their antecedents, their standing, their reputed income, and every particular calculated to be useful in estimating their credit. How far such a book of reference is reliable, I am not prepared to say, for there are no data to help us in such an estimate. The Commissioners of the Income-Tax are bound to the strictest secrecy, and the only insight we possess of the private fortune—at least, of the personal property—of the most renowned and wealthiest of the land are published, when too late, after death, in the "Illustrated London News," from the wills registered at the Court of Probate, which can always be inspected for a moderate fee. To bankers, indeed, it might be very serviceable to know a little of the income of their customers, though they have good evidence of the same in their own hands in the state of their banking accounts. But, on the whole, it is well not to pander to impertinent curiosity or inquisitiveness regarding the affairs of other people, especially as Steele said, "Inquisitive people are the funnels of conversation; they do not take in anything for their own use, but merely to pass it to another." Putting aside, however, any attempt to deal with special cases, and preferring for solid reasons to dwell on the lofty and abstract regions of averages which, whilst true respecting great numbers, are utterly inapplicable to any special individual, I will at once enter into the subject of my lecture on National and Personal Income and Expenditure.

NATIONAL INCOME.

The national income may be said to consist, in the first instance, of the inherent worth of the people of the land as an element of wealth, and, second, of all that they possess. The population of the United Kingdom is about 34,000,000. How much are they worth?

What is their inherent value? Assume only the low standard of agricultural wages; bear in mind that wages rise from youth to manhood and then decline. Take the average age of the people and their expectation of life, and on such a basis Dr. Farr calculated that the mean gross value of all living, at all ages, is £349. Deduct from this the cost of subsistence of the laborer, as child and man, determined by the same method, or about £199, and there remains £150 as the mean net value of the male population, estimated at the low standard of the wages of the agricultural laborer. Extend now the value to the whole population, women included, and the mean value is reduced to £110, or £3,640,000,000 for the whole population. But to this you must add the incomes resulting from other higher labors, calculated at £49 per head more, making in all £5,250,000,000 as the value inherent in the population of the United Kingdom, men, women, and children, as a productive, money-earning race.

But the amount of property and profits assessed to income-tax supplies a more solid basis for calculating the annual income of the people. First among the sources of income thus taxed are land, houses, tithes, under schedule A, which amount yearly to £174,000,000, being 31 per cent. of the total income assessed. Next comes the incomes of farmers from the occupation of lands and nurseries, under schedule B, amounting to £69,000,000, or 11 per cent. of the whole. This is the item most affected by a good or bad harvest. After this we have the income from interest, sinking fund, &c., on home or foreign debts, under schedule C, £40,000,000 per annum, or seven per cent. of the whole. Then, largest of all, are the incomes classed under the famous schedule D, including trades and professions, £164,000,000; besides incomes of particular properties and public companies, such as quarries, mines, ironworks, gasworks, waterworks, canals, railways, &c., £93,000,000, making in all, for schedule D, £257,000,000, or as much as 45 per cent. of the whole. And last, £30,000,000, or 6 per cent., assessed under schedule E upon salaries for public and other offices. The total amount of property thus assessed is £570,000,000, giving an average of £16. 15s. 3d. per head of the whole population. But to this we must add nearly the entire income of the working population which escapes the income-tax, and all incomes under £150, which are not made subject to the same. Add these two other portions of the national income, and we have an aggregate probably exceeding £1,000,000,000 a year.

The national income and public revenue are, I need scarcely say, two distinct things. The national income is the total amount of national resources. The public revenue is only a portion, amounting to about ten per cent. of the same, appropriated to public or national purposes. Again all incomes are not alike. We speak of persons having £100 a year income, whether it results from funded property, or from house rent, or from profits of trade, or from professional

employment, forgetting that in the one case the income continues always the same, in another it is constantly diminishing, and in another it is dependent on contingencies of the most varied character. A common measure value, a distinct scientific use of the word income, is one of the wants of economic science. As it is, in our taxation, all manners of values are used indiscriminately. Capital value is used in the assessment of probate and legacy duties; usable value in the assessment of local taxation and income-tax. General use has made us acquainted with the different meanings of the same word, but much injustice is created, and an unsound system obtains, for want of a more certain and more scientific conception of the word income.

The income I have now to speak of, is the personal income of the people—not the gross receipts of an individual, but his net income, or that which is available for his personal expenses. We may arrive at the national income, either by taking the aggregate of all the sources of income, or by ascertaining the private income of the people, though we cannot collect all the private income of every member of the nation, of the nation, as separate incomes, for we might thus count several incomes many times over. The income of domestic servants, for instance, form part of the expenditure of their employers, and is calculated in their income. So as regards the expenditure, let me warn you, not to assume that all which is expended by individuals forms part of the national expenditure, for much of it simply passes from hand to hand.

You are aware that one of the most important evenings of the session in Parliament, is that when the Chancellor of the Exchequer makes his financial statement, that is, when he reviews all the circumstances connected with the income and expenditure of the State during the preceding year, investigates the condition and prospects of the nation as respects the future, communicates his calculations of the probable income and expenditure for the year to come, and declares whether the burdens upon the people are to be increased or diminished. This statement is familiarly known as the Budget, and is regarded with the greatest possible interest by the whole nation. Now, if this be a good practice for the State, would it not be an excellent one for private individuals also? Have you ever tried to keep a diary? The difficulty of persevering in it is very great, for you require habits of order and method not often possessed. But still more difficult, I fear, is it to register all the money that comes and goes every day. Yet it is worth the trouble, for certainly it is of the greatest importance to be able to see at a glance whether our annual income is equal to our annual expenditure, whether every item of income of every member of the family is duly gathered, accounted for, and properly utilized, and whether the expenditure is, in every respect, moderate, legitimate, and kept within proper control. But

what should we put down in that book? Nothing, of course, but what is thoroughly true. There must be no entries of imaginary income. And you must have the courage to describe truly what you expend, be it for trifles, or for anything whatever. If you have not hitherto kept such a book, experiment it even for three months, and you will see how useful the record will prove, as a remembrance of the past, as a guide for the present, and as a monitor for the future.

DIVISION OF THE POPULATION.

The population of the United Kingdom is usually divided into three classes, viz., the working, the middle, and the upper classes. Happily, however, no class rights and privileges are recognized in England, nor is there any obstacle to any of us reaching the maximum of our ambition, if we only have the power and the ability to move higher. We recognize no caste. Hindu mythology taught that Brahma created, not one man, but three—one from his head, one from his arms, and one from his feet. An authority greater than any Indian mythology, teaches us “that God hath made of one blood all nations of men.” Greece deified the warlike classes. Rome placed the patrician far above the plebeian. In feudal times there were lords and vassals. We have done with that state of society. The aristocracy, no longer confined to the lords of the soil, but recruited from the wealth and talent of the people, knows full well that it is no longer the sovereign race. A middle class has risen, conscious of its power, and ready to assert its rights. “What is the *Tiers Etat*?” asked the Abbe Sieyes in 1789. “Everything.” “What has it been till now in the political order?” “Nothing.” “What does it demand?” “To be something.” And it has become something. Whilst the laboring classes, no longer outside the pale of citizenship, have, by education and self-respect, learnt to hold up their head and to demand to be accounted as men. Nevertheless, practically, great divisions do exist, and, for economic purposes, the division of the people into classes is a convenient one, and we must use it for our present inquiry.

There are now in the United Kingdom, as I have said, some 34,000,000 persons. Of these, full two-thirds, or 24,000,000, are the laboring classes, or the manual labor or wage class, as they are often called, including several gradations from the artisan or tradesmen to the common laborer. The middle also may be divided into two sections—the lower middle and the higher middle, including many of the professional classes, such as teachers, artists, ministers of religion, shopkeepers, and not a few of the mercantile classes. The upper class embraces the rich, the great, the aristocracy of wealth and rank, as well as the upper ten thousand, the nobility and gentry of the realm. Assuming five in a family, we may take the number at 4,800,000 families of the laboring class, 1,800,000 families of the middle class, and some 200,000 families of the upper or higher class. At what sum may

we estimate the annual income and expenditure of these different classes of British society? Let us see.

INCOME AND EXPENDITURE OF THE LABORING CLASSES.

Let us commence with the laboring classes, for they are the largest number, and they appeal to our best sympathies by their struggles and difficulties. The wages of the laboring classes vary immensely, from 12s. to 15s. in agriculture, to 40s. and 50s. a week in the more skilful arts. Boys earn from 6s. to 9s. to 12s. per week; girls from 3s. 6d. to 7s.; women from 7s. to 15s. per week. But there are generally two earners in a family of five—either father and son, or both father and mother. Therefore when we speak of the income of the working-man's family, we must take the collective income of all earners in it. What I fear is that sons and daughters do not bring to their father and mother all they earn, or anything like it. Would that they did! A large portion of the earnings of the younger members of the working population is, I am sure, utterly wasted, simply because it never reaches the home treasury. There are thousands of families of working people whose aggregate income would amount to £3 to £4 a week in good times, but where little or no account is taken of a great portion of the same. The wages, moreover, often consist partly in money and partly in kind. A sailor, who gets 40s., 50s. to 60s. a month, is, during the time of his engagement, fed and lodged on board. A domestic servant, who gets from £10 to £30 a year in money, has also board and lodging, which are often equivalent to as much again. An agricultural laborer in Devon or Dorset may have 8s. or 10s. a week wages in money, but he has a plot of land with his cottage, for which he pays but little, and the means of keeping a pig, which gives him sufficiency of meat for nearly the whole year. The value of these things must be taken into account; and when all is calculated, I find that the average wages and earnings of a family of the working classes amount to about 30s. a week, or £88 a year, making for 4,800,000 families an aggregate of £370,000,000, of which, perhaps, £300,000,000 is in money.

And how is this money expended? From extensive observations, I arrived at the conclusion that a well-regulated expenditure of, say, 30s. a week, distributed in the proportion of 60 per cent. in food and drink, 12 per cent. in lodging, 6 per cent. in fire and light, 10 per cent. in clothing, 7 per cent. for education, church, charity, and recreation, should leave at least 5 per cent. for saving. And if so, some £20,000,000 a year should be put by, and accumulate to the account of the working classes. But all I can find is some £3,000,000 to £4,000,000 visible in deposits in savings banks, friendly, and other societies, besides their portion invested in building societies, household furniture, &c., the fruit of the economies of families too few in number to constitute any perceptible percentage of the whole number of the working population. The truth is, that to the 60 per cent. which

I calculated for food and drink, 10 per cent. more must be added for drink alone, and 2 per cent. for tobacco, laid out thoughtlessly and wastefully by many of the working classes at the expense of solid food and better houses, and certainly at the cost of sacrificing every chance of saving. What wonder if debt and pauperism be rampant? What surprise if the light and sunshine of prosperity, whenever it comes, be so speedily followed by the darkness and gloom of misery and wretchedness?

INCOME AND EXPENDITURE OF THE LOWER MIDDLE CLASSES.

Somewhat higher in the social scale, but little in means, than the working classes are the lower middle classes, some 7,500,000 in number, most of whom, well educated, fond of books and newspapers, living in decent homes, dressing respectably, but with limited resources to meet their wants. These comprise the great body of clerks in commercial and banking houses, curates, small shopkeepers, small farmers and the like. Their incomes vary largely. A young man entering a bank gets £60 to £80 a year salary, with a prospective rise of £10 a year. In shops and warehouses a youth has often to pay an apprenticeship fee to get in, and then for a year or two he receives little more than food and lodging. Young men so situated have difficulty for a time to maintain themselves, and are, therefore, somewhat dependent on their friends; but their salaries are increasing, and their duty is, as soon as possible, to replace to their parents what they have expended on them, to say nothing of their moral obligation to assist their aged father and mother in their weakness, or maybe in absolute poverty. There is no sweeter joy, no pleasanter duty, than to contribute to the well-being of our dear ones, our friends, and our kindred far away when we can do it. Teachers' salaries are low. In 1879 the average salaries of certificated masters were only £118. 14s. 3d., and of certificated mistresses £71. 2s. 2d. Curates in the Church of England have, we know, but a miserable income, often under £100. And ministers of Dissenting congregations scarcely receive on an average £150. Many shopkeepers, also, earn but small incomes. Among the lower middle classes, as well as among the working classes, there are more than one earner in a family of five, yet, considering the large number included in the income tax returns as having less than £200, and the much larger number who are beneath appearing in any shape in that selected list, we cannot take the average income of the lower middle classes at more than £150 per annum—a low amount as compared with their ordinary requirements.

It would be well if this, as well as all the other classes, would endeavor to keep their expenditures strictly on a level with, if not below, their income. "Cut your coat according to your cloth," is a sound maxim. But is it accomplished? It is a most unfortunate practice of the Chancellor of the Exchequer that in making up the financial

statement, he does not measure his expenditure by his income, but his income by his expenditure. But he may do so, because he has a whole nation to fall upon by compulsory taxation. Not so the private individual. Not so either you or me. For any of us to expend more than we earn means to live in debt, and the business of the County Courts shows the dire consequence of departing from the simplest rules of prudence and duty. At £150 per annum, the total income of this class will amount to £225,000,000.

But with larger house rent, more expended for clothing, a certain cost for service, and more laid out for education, church, and other contingencies, I fear but little will remain to their credit at the end of the year, though a certain proportion of the amount at the savings bank belongs to them. May I venture to say that if excessive drinking is the sin of many of the working classes, excessive eating, especially on festivals and select occasions, is the sin of the lower middle classes.

INCOME AND EXPENDITURE OF THE HIGHER MIDDLE CLASSES.

The higher middle class are most comfortable. Though not rich, they have plenty and to spare, and they do, in fact, save a good portion of their income. We find them living in houses of their own, and insuring their lives. We meet them taking an interest in local politics, and not a few of them already indulging in a hope of some day obtaining a seat in the House of Commons. They are, in fact, the Dons of the Tiers Etat, with an income probably ranging from £400 to £1,200 a year, and more, giving an average of some £600 a year, or for 300,000 families an aggregate of some £180,000,000 a year.

The latest income-tax return gave the number charged under schedules D and E, in Great Britain and Ireland, in the year ending 3d April, 1878, as follows:

CHARGED TO INCOME-TAX.		PERSONS.
Under £400.....		472,295
£400 and upwards.....		93,353
		<hr/> 566,648
£400 to £1,000, schedule D.....		52,254
£1,000 and upwards, schedule D.....		22,951
£400 and upwards, schedule E.....		18,148
		<hr/> 93,353

But, with an increased income, there is an increased expenditure. Their rent and taxes may amount to £70 a year; their food and drink to £200. Their clothing is more expensive. They spend more in education, church, and charity. Their mode of living is altogether more luxurious. Gold and silver figure in their apparel. Dinner parties are occasionally given. Their children are sent to a public school, and a journey of more or less extent is deemed by them quite necessary. The expenditure of the more fortunate ones in this class is much larger, but for an average we may take £450 a year, or £135,000,000, leaving at least

£150 for saving, or a total of £45,000,000, which is, in most cases, invested in business. These, let it be remembered, are the merchant princes in embryo, but also many of them fall in the race for riches. Think, indeed, of the number who strive hard to save, but who, after succeeding for a time, are compelled to give up the attempt from misfortune and losses! Think of the vicissitudes of trade! What violent efforts, and what sudden collapses, what heaving and subsiding, what ebbs and flows of fortune, do we witness among this class; but what judgment, what decision of will, what disposition to economise, must be possessed to have the slightest chance of winning!

INCOME AND EXPENDITURE OF THE UPPER CLASSES.

Over these again are the upper and higher classes, some 150,000 families. The greater part of these 150,000 families represent those who have attained a high position in trade and in the professions, a class from whom the House of Commons derives many of its members, and in the receipt, probably, of some £1,200 a year each, on an average, giving a total of £180,000,000. And what shall I say of their expenditure? Many of them do not hesitate spending liberally in an election. Their families will parade in Rotten Row. Their ambition is to associate with the aristocracy. Certainly, I am not far wrong if I place their expenditures at half of their income, leaving, probably, some £80,000,000 a year to be saved and invested. But we have still the Upper Ten Thousand, comprising the queen and the princes, the peers of the realm, the great landowners, and the millionaires of our days. Few, few they are, but very rich. They own two-thirds of the land; at their credit are three-fifths of the funded property of the country. Only 10,000, and yet they may have an income of £50,000,000. The stately halls, the ducal mansions, the princely castles, are theirs. Given the most liberal expenditure, I fail to see how they can expend more than half of their income; and, thus you have again another £25,000,000, making in all £105,000,000 a year saving, from the upper classes, which are laid out in adding acre to acre, in investments in railways, and in the funds, and are kept in enormous sums at the banks to their credit.

INCOME AND EXPENDITURE OF THE NATION.

Taking the whole nation collectively, what do we find? Here are 34,000,000 of persons, with an income, in one way or another, of about a thousand millions a year, five hundred thousand millions in property subject to income-tax, after deduction of salaries and dividends, payable out of the public revenue; one hundred and eighty millions, the income of the lower middle classes; and £300,000,000, that of the laboring classes, after deduction of the wages of domestic servants, and of soldiers and others, paid out of the public revenue; in all, about £1,000,000,000—a large sum. And how divided? In 1878, only 572,000 persons were charged to income-tax, under schedules

D and E. And of these, 472,000 with incomes under £400 a year, leaving only 100,000 for higher incomes. But schedules A, B and C furnish a large additional sum to the select few, and the discrepancy between class and class becomes greater and greater. There is enormous wealth in England, but the English, as a people, are far from wealthy.

If the income is large, the expenditure is also considerable. It amounts to at least £800,000,000, the half of which is food and drink; £100,000,000 in house rent; £50,000,000 in fire and light; £80,000,000 in clothing and furniture; £100,000,000 education, church and charity; £30,000,000 in recreation and amusements; and £200,000,000 left for saving. The expenditure, no doubt, is partly luxurious, but most of it necessary. The climate, the occupation, and the very nature of the people demanding a standard of comfort unknown to other nations. Hence the amount of savings does not come from the masses, not so much, either, out of thrift, from the rich, but out of their superabundance. We complain, and reasonably, too, of the want of thrift among the masses; and, doubtless, if we examine the question with the eyes of a philosopher, or by the rules of economic science, we shall find much room for lamentation. Economists tell us that whatever is expended in supporting productive labor is a productive expenditure, and whatever is expended in maintaining unproductive labor is wasteful and useless. And so we may well shudder at the thought of the immense amount of hard-won gains annually expended in vain shows, frivolities, and wasteful luxuries. Who of us, indeed, can say that we maintain our expenditure at the level of what is necessary for enabling us to be productive laborers? But we must not forget that the energies put forth in the production of wealth would be greatly lessened were there not, as a motive power, the prospect not only of comfort but of luxury. Luxury is not always ostentation, sumptuousness, the use of the superfluous, the indulgence of vanity, the satisfaction of sensual appetites, the fruit of pomp and pride. Luxury is, after all, only a relative term. Meat, tea, and white bread were luxuries among the poor fifty years ago. They are necessities now. Our absolute wants are only a part of our requirements. We must endeavor to improve our condition. A taste for the beautiful betokens a cultivated mind. A comfortable home befits a virtuous mind. A thing of beauty is a joy forever. Give me, by all means, a well-furnished library, some painting and sculpture, a garden, and the delicious pleasure of travel, and I shall not call it luxury, but the satisfaction of the cravings of my mind, for which I will labor and toil, with no murmuring, but delight. But others will prefer other pleasures, and provided they be not vicious, shall we condemn them for such? As the nation strengthens in intellect and morals, and as manners improve, we shall have, probably, less regard for the superfluous than for the useful, but there will ever be an abundant latitude for expansion in what is useful for the gratification of our moral and

æsthetic sentiments. Let us not call the arts profane, for every art is holy in itself. It is the son of eternal light. The question before us is a difficult one. Simple excess of any kind is not luxury. God is luxurious in all his gifts. He showers them upon us in wonderful abundance. But they are good gifts, for use, not for abuse. By what test, moreover, shall we judge whether a person is luxurious or penurious in the use of things harmless in themselves, or in the use of articles of comfort and ornament? First of all, it is not for us to judge one another in matters of this nature. Each man for himself has a right to judge what amount, what proportion of his income he is justified in spending in comforts and luxuries, and what he ought to bestow for religious or charitable purposes. In things lawful, the measure by which everyone for himself should take in his indulgences of comforts or luxuries is the relation the expenditure in such articles bears on his income; for clearly, a man who has labored hard and long, and on whom Providence has smiled, has a right to enjoy the fruit of his toil, and to satisfy other wants or desires than those for the pure necessities of life; whilst another, who is only commencing the long and uncertain work of a lifetime, ought to be careful, nay, most careful, in not indulging in anything which is not absolutely necessary

THE PHILOSOPHY OF SAVING.

Coming home, however, to ourselves, let each of us look carefully to our estate. If we have got a competent income, let us take care of it. If we have not, our duty is to put aside whatever is not absolutely indispensable for present wants, in order that we may have a reserve for unforeseen eventualities. Be not ashamed, I pray you, to save. Call it not meanness, miserliness, niggardliness, and the like. A disposition to save for the future, a prescience of, and a preparation for, what is to come, are just what place us above the brute savages. Savages are not thrifty; they live from day to day. It is prudence that prompts us to save, and wisdom that regulates the amount of our savings. It is moderation which enables us to realize any saving, and intelligence which enables us to render it fruitful. And what are prudence, wisdom, moderation, and intelligence, but the very characteristic and offsprings of civilization and morals. To have no thought for the morrow, to have no regard for the welfare of friends and relatives, to make no provision for old age and sickness, to indulge in waste, whilst the sun shines, never reflecting that after Summer comes Winter, are not consistent with our moral duties and obligations. Gentlemen, it requires some amount of heroism to set aside any fragment of our present income for our future wants, to deprive ourselves, it may be, of needful comforts, that we may provide for contingencies at present quite beyond our ken; but it is worth the doing of it.

Moralists have often been led to decry the all-absorbing eagerness

of the present age in the pursuit of wealth, and fears have been expressed, lest the love of money should engross far too much the heart and mind of the nation; lest, instead of seeking wealth as an instrument for the purchase of ease and enjoyment, both the ease and enjoyment of a whole life should be rendered up a sacrifice to its shrine; lest, instead of its being desired as a minister of gratification to the appetites of nature, it should bring nature itself into bondage, robbing her of all her simple delights, pouring wormwood into the current of her feelings, making that man sad who ought to be cheerful. Well might Matthew Henry say: "There is a burden of care in getting riches, fear in keeping them, temptation in using them, guilt in abusing them, sorrow in losing them, and a burden of account, at last, to be given up concerning them." Still, let us not ignore or forget the many benefits which wealth confers; and whilst condemning an excessive devotion to its pursuit, let us do justice to the merit of acquiring wealth as the reward of well-directed labors of industry, frugality and economy, practiced, often, under the most arduous difficulty. And look at the results. Behold the embodiment of wealth in our halls and palaces, docks and warehouses, factories and workshops, railways and canals. What is it that placed this nation, once so obscure, in the foremost place of civilization and science? Whence, but by the expenditure of much treasure has Britain been rendered the healthy resort of princes and nobles from all countries? What but wealth has procured for Britain those storehouses of knowledge which enrich our museums and galleries? And what, but the existence of a class in the full enjoyment of ease and wealth, has given to the nation the immense benefit of a large number of men who, with refined taste and enlarged views, can give themselves to those higher objects which foster civilization and science? It is the glory of England that she possesses so many men of position and wealth who, eschewing the temptations of ease and luxury, are thankful if they are selected to preside over our hospitals, to take their share in the administration of justice, and an active part in the work of education. Many are, moreover, the examples of liberality which redeem wealth from the charge of sordid avarice or cold unconcern for human sufferings. The names of George Moore and George Peabody, of the Baroness Coutts and Samuel Morley, are household words in the catalogue of benevolence.

Those are great souls, who, touch'd with warmth divine,
Give gold a price, and teach its beams to shine;
All boarded pleasures they repute a load,
Nor think their wealth their own till well bestow'd.

And let any cry of distress be heard, do we not see at once a flow of liberality to mitigate its pressure? Yes, let wealth grow and continue to diffuse blessings such as these, and what a crop of beneficence will be gathered. How much misery will be alleviated; what amount of

ignorance will be removed; what high purposes will be served. In the work of production and distribution of wealth most of us are immediately interested. Let us be thankful for the measure of prosperity this work of ours procures for us. And let us remember that, whether rich or poor in gold or silver, it is always in our power to possess the godlike happiness of doing good, to be a benefaction to others, and to have a perpetual spring of peace and joy in ourselves.

MONETARY AFFAIRS IN ENGLAND.

[From our own Correspondent.]

LONDON, May 13, 1880.

Undoubtedly politics, even in these latter days, play no inconsiderable part in the history of finance. The appointment of Mr. Goschen as a kind of extraordinary envoy to the Porte, has called attention once more to the unsettled condition of Ottoman financial affairs. Mr. Goschen, despite his German-Israelitish origin, has obtained a position which must be considered phenomenal in a country which has not elected a single Roman Catholic to the present Parliament. This is one of the striking evidences that persons, thoroughly acquainted with banking affairs, are now-a-days indispensable to Cabinets. His appointment had the effect, of course, of giving some renewal of hope to holders of Turkish securities. The project, which is ascribed to Mr. Gladstone, of reducing the rate of interest on consols to two and a half per cent. has not yet been much discussed. Such a proposition would not meet with the same amount of *interested* opposition as in France where, it would seem, that between the conservatism of the moneyed classes and the fewer fields for legitimate speculation, there is a strong opposition to funding the national debt at a lower rate of interest, but just for the contrary reason, it is doubtful whether such a scheme could be carried out successfully in England. It is true, however, that the amount of available capital from the agricultural interest will be less in the future, and that the general condition of some of the country towns will be less prosperous, but we cannot as yet gauge this change. The great improvement in general business, owing to orders from the United States, especially for iron, has commenced to wane somewhat, and there is a general desire to examine the Board of Trade returns. During the first quarter they have been most satisfactory, the increase in exports being no less than 34 per cent., while imports showed (chiefly owing to cereal importations) 20.3 per cent. I believe, that outside of all economic reasons, this most extraordinary increase of exports is due in no slight degree to the continued mastery which we have of maritime business.

Another, and a no less sure sign of the commercial and financial condition, is the business of the Clearing House. (Strange, by the way, that such an institution has not yet been fully inaugurated in France.) Well, the increase in the transactions of the House during the year ending April 30, is no less than £380,885,000, as compared with the preceding year.

The following table, showing the growth of the institution, will be of interest to your readers (I take the most striking results). The amounts of transactions were:

1867.....	£3,257,411,000
1872.....	6,003,335,000
1873.....	5,993,116,000
1874.....	6,013,299,000
1875.....	5,407,243,000
1876.....	4,873,000,000
1877.....	5,098,063,000
1878.....	4,885,091,000
1879.....	5,285,976,000

These figures are most suggestive, because they show very clearly two economic facts, which people are too apt to forget: 1. That trade all over the world almost doubled between 1860 and 1872. 2. That, although the panic began really in Vienna in 1873, its full effect was only felt in 1876. But as the proverb very well says:

"The darkest hour is just before the dawn."

So we find that 1879, despite the exceptionally bad harvest throughout Europe, has marked a new era of prosperity—subject, however, to the reactions caused by the dominant speculations of the day.

We have been also looking up the earnings and losses of our banks, especially of the Scotch and Irish. It may surprise many American bankers to be informed that both are, despite failures and famines, exceptionally prosperous. So far as the Irish banks are concerned, the reason is very evident, although I have not seen it stated. An utter want of speculation; an absence of all the risky speculations of stock concerns and manufacturing enterprises, banks in the Green Isle are outside the great dangers which are a natural condition of other countries.

The highest dividends are those paid by the Bank of Scotland, The National of Scotland, The National of Ireland, and the Provincial (Ireland). The branches established in London by several of the Scotch banks have, in the main, been successful. The following table shows the relative positions of English, Scotch, and Irish companies during the past ten years.

	Yield in dividend. per cent. per annum.	Yield in Market value of Princ- pal per cent. per annum.	Together per cent. per annum.
Bank of England.....	4.1	1.4	5.5
London Banks.....	7.9	3.9	11.8
Provincial Banks.....	7.5	2.1	9.6
Scotch Banks.....	5.3	-3.8	1.5
Irish Banks.....	6.0	3.1	9.1
Banks having London offices:	6.1	1.3	7.4
Indian Banks.....	5.1	-2.0	3.1
Colonial Banks.....	8.4	4.3	12.7
Foreign Banks.....	7.2	-1.1	6.1

That the country is gradually recovering from the effect of the crisis of 1873 is also attested by the banking deposits. The following rough estimate is given:

		Bank of England in addition.
Autumn, 1873.....	£530,000,000	£24,000,000
Spring, 1879.....	470,000,000	38,000,000
Autumn, 1879.....	480,000,000	37,500,000
Spring, 1880.....	500,000,000	33,500,000

The difference now is attributed to the losses of the agricultural interest, and as I have already indicated, this diminished prosperity of the landed and agricultural classes must eventually tell heavily on the branch offices of the principal banks. The landlord class, as is well known, generally deposits with a few banking houses *a la mode* in Lombard street.

Among the declared net profits of banks, may be mentioned those of the National Provincial Bank, of England, amounting to £317,216, as against £381,261 in 1878. There has been an increase in deposits, however, and other evidences of material prosperity; the dividend is 19 per cent. The Union Bank of Scotland shows net annual profits to April 2, of £144,961. In this connection, and as affording a means of comparison, I subjoin a few of the dividends of the Austrian banks, as given by the "Neue Freie Presse," of Vienna. Austrian Boden Kredit Bank 5.73 per cent.; Hungarian Kredit Bank 7.34 per cent.; Austrian Kredit Bank 7.7 per cent.; Austrian Discount Bank 9.40 per cent. There is little doubt that the vast trade and enterprising spirit of the English people still offer the largest profits for all banking business.

A meeting of the directors of the Rio Tinto Company was held last week. The experiences of this Company during the last few years offer another striking example of the immense advantage of being able to "hold out" and wait for better times. The original capital was £2,500,000, and so promising were the prospects that a minimum dividend of 18 per cent. was promised. Fortunately for the company its directors were men of great wealth, and possessing unbounded confidence in the future of the undertaking. During seven years a few of the directors gave from their private resources over one million sterling in order to keep the works going. Well, the profits for last year amounted to £459,000, and a dividend of 5 per cent. has been declared, while the works at the Port of Huelva and the new railway, will insure a ready market.

The case of Jay Cooke anent the appointment of a receiver, and *contra* the proceedings of Puleston in New York, resulted in a dismissal of the case.

The following table gives a comparative view of the bank returns, rates of discount, &c, during the past four years:

At corresponding dates with the present week.	May 11, 1870.	May 16, 1877.	May 15, 1878.	May 14, 1879.	May 12, 1880.
Circulation(excluding bank post bills).....	£ 23,444,745	£ 28,479,010	£ 27,750,545	£ 29,888,375	£ 27,245,795
Public deposits.....	8,881,433	6,577,403	6,726,584	7,217,639	7,131,197
Other deposits.....	16,338,966	21,703,571	21,417,030	29,498,741	25,581,346
Government securities.....	12,931,696	15,364,904	15,556,488	14,675,257	15,664,230
Other securities.....	19,018,333	19,365,162	19,914,371	20,972,066	19,148,443
Reserve of notes and coin.....	11,337,155	11,514,653	10,627,882	19,046,477	15,854,724
Coin and bullion.....	19,781,900	24,963,663	23,358,427	33,414,852	28,100,519
Bank rate of discount.....	3 per cent.	3 per cent.	3 per cent.	2 per cent.	3 per cent.
Price of consols.....	94½	94	96¾	98¾	99½
Average price of wheat.....	43s. 3d.	65s. 7d.	52s. 4d.	40s. 9d.	46s. 0d.
Exchange on Paris (sht).....	25 20 27½	25 15 25	25 12½ 17½	25 15 20	25 27½ 32½
— Amsterdam (sht).....	11 17½ 18½	12 1¾ 2¼	12 2¼ 3	12 0¼ 1¼	12 1 2
— Hamburg (3 months).....	13 10 1¼	20 71	20 61	20 59	20 67
Clearing-House return.....	64,141,000	108,973,000	86,828,000	84,262,000	94,914,000

The rates of discount in the principal continental cities have been as follows:

	Bank Rate. per cent.	Open Mak't per cent.
Paris.....	2½	2¼@¾
Berlin.....	4	2¾
Frankfort.....	...	3½
Hamburg.....	2¾	...
Amsterdam.....	3	2¾
Brussels.....	3½	2½
Vienna.....	4	3
St. Petersburg.....	6	5½@ 6

The discount market for paper has shown the following quotations:

Bank bills, two and three months.....	2½@3	per cent.
do four months.....	3	do
do six months.....	3½	do
Trade bills, three months.....	3½	do
do four months.....	3½@3¾	do
do six months.....	3¼@ ¾	do

The rates of interest given by the joint-stock banks for deposits at notice and call have been:

Private and joint-stock banks, at notice.....	2	per cent.
Discount house, at call.....	2	per cent.
do seven days' notice.....	2¼	per cent.
do fourteen days' notice.....	2½	per cent.

The arrivals of gold have been very small, some £15,000. Silver has been steady, most of the shipments were for China. Bars are quoted at 52 3-16d. Mexican dollars have kept steady at 52 1-8d.

Money has been somewhat more abundant in the Paris market. There has been a decided advance in Rentes and credit institutions, but railroad shares have not participated much in the improvement, although receipts, in most instances, are higher than at corresponding period of last year.

BANKING AND FINANCIAL LAW.

Our readers who desire to pursue the subject, considered in the May number of this magazine, of the validity of administration upon the estate of a living person, will find the same subject treated in the "American Law Review" for the same month. The writer notices the two Roderigas cases cited by us. He does not appear to have seen the case of Lavin *vs.* The Emigrant Industrial Savings Bank, which formed the concluding part of our article. He starts out in the following striking manner, viz.: "Ch. Justice Marshall casting about for a proof illustration of an absolutely void grant of administration, selected the grant of administration 'on the estate of a person not really dead.' 'This act,' said he, 'all will admit is totally void.'"¹ This view is indorsed by numerous dicta of judges and text writers, and by at least three direct decisions."² Personally, however, he inclines to the contrary view, and discusses the merits of that side of the question in an interesting manner. He refers in a foot note at p. 345, to chapter 253, laws of Mass., 1873, under which a confirmation can be had of payments made to or acts done by a person acting as executor or administrator, whose appointment shall be vacated or declared void by reason of any irregularity or want of jurisdiction or authority of the court making the same, passed, as he intimates, after the decision of the case of Joachimsen *vs.* Suffolk Savings Bank, to relieve the banks in that State in similar cases. But it is difficult to see under Judge Choate's view of the law in the Lavin case (*supra*), how this can shield the bank.

It is a hard and very perplexing question. Rules of law equally well settled come in conflict, and it seems impossible to reconcile them. As we suggested in our last article, a statute relieving the banks of deposits unclaimed for a certain number of years where the depositor has not been heard from would not be undesirable. So long as the first

1 Griffith *vs.* Frazier, 8 Cranch, 9, 23.

2 And cites Moore *vs.* Smith, 11 Rich., Law (South Carolina), 569; Joachimsen *vs.* Suffolk Savings Bank, 3 Allen, 87; Mella *vs.* Simmons, 45 Wis., 334.

*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.

case of *Roderigas vs. East River Savings Institution*¹ stands, the banks in this State will be measurably protected² if they take the precaution before paying, to ascertain that the surrogate passed judicially upon the fact of the death of the alleged testator, or intestate, as the case may be.

Accommodation firm paper, known to the endorsee to be such, binds only the partner who executes it, where the other partners have not assented.

The mere giving of such paper in a business transaction disconnected with the partnership business, is notice to the bank discounting or taking same.

Upon the above points we lay before our readers the following opinion rendered on the 4th of May, 1880, by the General Term New York Supreme Court, First Department, in the case of the Union National Bank of Rahway, New Jersey, plaintiff and respondent, *against* Howard L. Underhill, impleaded, &c., defendant and appellant.

Appeal by the defendant Underhill from a judgment entered against him upon a verdict directed by the Court in favor of the plaintiff, and from an order denying a motion for a new trial upon the minutes.

BARRETT, J.

For some time prior to the transaction in litigation, the plaintiff bank, and Jesse B. Cheyney, had had dealings together which finally resulted in an indebtedness to the former of some \$5,000. For this, the bank held Cheyney's protested bank check, endorsed by one Vail. The latter was an accommodation endorser, of which the bank was aware. After holding the protested check for some time, the bank began pressing both Cheyney and Vail for a settlement. Thereupon Vail went to Cheyney and induced him to give his *firm* notes to take up the check. This firm was composed of Cheyney and the defendant Underhill. The firm was Jesse S. Cheyney & Co. Underhill knew nothing of Cheyney's action in the matter and never assented thereto. Vail took the firm notes which were payable to his order and endorsed by him to the bank, and thereupon settled the protested check, he paying a small difference in cash.

The Court at Circuit directed a verdict for the plaintiff against Underhill. This we think was error. The verdict should have been the other way. The bank may have been a holder for value, having taken the notes in payment and satisfaction of the check, but it was not a *bona fide* holder. This results from the fact that the precedent debt was Cheyney's individual obligation. It is well settled

¹ 63 N. Y., 460.

² Although if sued in the U. S. Circuit Court they are confronted with the decision in the *Lavin* case the other way.

that where a note is given in the firm name by one partner for his private debt, or in a transaction unconnected with the partnership business, which is the same thing, and known to be so by the person taking, the other partners are not bound, unless they have assented. *Gansevoort vs. Williams*, 14 Wend., 138; *Joyce vs. Williams, id.*, 145; *Wilson vs. Williams, id.*, 157; *Livingston vs. Hastie*, 2 Caines, 246; *Stall vs. Catskill Bank*, 18 Wend., 477; *Elliott vs. Dudley*, 19 Barb., 326; and see *Bank of Rochester vs. Bower*, 7 Wend., 159; *Dob vs. Halsey*, 16 Johns., 34; *Bank of Vergennes vs. Cameron*, 7 Barb., 151; *Fielden vs. Lakens*, 6 Abb., N. S., 341.

Upon the face of the transaction, the bank was chargeable with notice. Same case.

In *Green vs. Deakin*, 2 Starkie, 347, where a partnership bill was given by one member for his private debt, the Court held that *the nature of the transaction was intrinsically notice*. "The notice which defeats the plaintiff," said Bronson, *J.*, in *Wilson vs. Williams supra*, "is notice that the endorsements were not made on account of a partnership transaction."

In *Elliott vs. Dudley supra*, the Court, Welles, *J.*, said: "It is impossible for one partner, by his acts or admissions, to bind his co-partners without their assent, express or implied, for an individual debt of his own. The plaintiff did not occupy the position of a *bona fide* indorsee, because the case shows that the note was taken by his clerk and agent for a debt previously existing and owing by DeWitt (one of the partners) to the plaintiff. (See also *Arden vs. Sharpe*, 2 Esp., 524; *Whitmore vs. Adams*, 17 Iowa, 567.)

There can be no doubt about this where the firm note is actually handed to the creditor by the partner who is his individual debtor. It is urged, however, that the present case is not within these rules, because the final settlement was with Vail, not Cheyney. Indeed, the President of the bank talks of having discounted the firm paper for Vail, quite as though it were an independent and ordinary business transaction. This gentleman must have reconciled his testimony with his conscience, by theorizing as to the legal effect of the facts. He knew very well that Cheyney was the principal debtor, and that Vail was merely his surety. Vail kept no account with the bank. He brought the notes for the express purpose of taking up Cheyney's protested check. The president knew that the firm signatures were in Cheyney's handwriting. Finding that the notes were not quite sufficient in amount, Vail gave the bank his own check for the difference and closed the matter. To talk of this as a discount of the notes, in the regular course of business, is more than absurd. It verges upon untruthfulness. There was a simple substitution of Jesse S. Cheyney & Co.'s notes endorsed by Vail for Jesse S. Cheyney's check similarly endorsed.

Whether the notes were received by the bank directly from the

hands of Cheyney or Vail was certainly immaterial. In either case, *the transaction itself was notice*. The possible idea, attributed to the bank, that Vail might himself have acquired the firm notes in some independent business transaction, and parted with them in the manner and for the purpose indicated, is far-fetched. The bank believed in no such coincidence. The truth was plainly before it, namely, that Vail had procured these notes to take up the check, and it was clearly put upon inquiry as to Underhill's consent.

It is also urged that some of the money procured on Cheyney's individual checks was used in the firm's business.

This was not established. Mr. Cheyney said that "*some small amounts may have been,*" but the main body of the indebtedness was previous to the existence of the firm. Again he said that "*the indebtedness was due for bills ordered by myself previous to the existence of the firm and, possibly, as I cannot say positively to the contrary, for some debts incurred after Jan. 15th, 1877,*" the date of the formation of the firm. But even if a small firm indebtedness had been included, that would not render Underhill liable for Cheyney's large individual debt. (See *King vs. Faber*, 22 Pa., 21.)

The judgment and order denying motion for new trial should therefore be reversed and a new trial ordered with costs to abide the event.

Such new trial should not take place upon short calendar day. The cause is too important to be tried at the Special Circuit.

Concurred in by Judges Davis and Brady.

GENERAL STATUTES OF NEW YORK, PAGE 32, CHAPTER 134.

The following acts passed at the present session of the New York Legislature are of interest to financial institutions in this State and elsewhere.

An act to amend chapter three hundred and seventy-one of the laws of eighteen hundred and seventy-five, entitled "An act to conform the charters of all savings banks or institutions for savings to a uniformity of powers, rights and liabilities, and to provide for the organization of savings banks, for their supervision and for the administration of their affairs."

Passed April 19, 1880.

The People of the State of New York represented in Senate and Assembly do enact as follows:

SECTION 1. Section twenty-six of chapter three hundred and seventy-one of the laws of eighteen hundred and seventy-five, entitled "An act to conform the charters of all savings banks or institutions for savings to a uniformity of powers, rights and liabilities, and to provide for the organization of savings banks, for their supervision

and for the administration of their affairs," is hereby amended so as to read as follows:

§ 26. It shall be lawful for the trustees of any savings bank to invest the moneys deposited therein only as follows, namely:

First—In the stocks or bonds or interest-bearing notes, or obligations of the United States, or those for which the faith of the United States is pledged, to provide for the payment of the interest and principal.

[The above subdivision of Sec. 26, General Savings Bank Law of 1875, stands now as originally passed in 1875.]

An amendment was passed May 31, 1879, adding the following words: "*including the bonds of the District of Columbia, commonly known as the three-sixty-five bonds.*"—Ed.]

Second—On the stocks or bonds of this State bearing interest.

Third—In the stocks or bonds of any State in the Union that has not within ten years previous to making such investment by such corporation, defaulted in the payment of any part of either principal or interest of any debt authorized by any legislature of such State to be contracted.

Fourth—In the stocks or bonds of any city, county, town, or village of this State, issued pursuant to the authority of any law of this State, or in any interest-bearing obligations issued by the city or county in which such bank shall be situated.

[The words in italics are added to this subdivision.—Ed.]

Fifth—In bonds and mortgages on unincumbered real estate situate in this State, and worth at least twice the amount loaned thereon, but not to exceed sixty per centum of the whole amount of deposits shall be so loaned or invested; but in case the loan is on unimproved or unproductive real estate, the amount loaned thereon shall not be more than forty per centum of its actual value; and no investment in any bond and mortgage shall be made by any savings bank, except upon the report of a committee charged with the duty of investigating the same, and who shall certify to the value of the premises mortgaged, or to be mortgaged, according to their best judgment, and such report shall be filed and preserved among the records of the institution.

Sixth—In real estate subject to the provisions of section twenty-nine of this act.

CHAPTER 140.

An Act to place and maintain shareholders of State banks in the assessment and taxation of their shares of stock, upon an equality with shareholders of National banks.

Passed April 21, 1880; three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. The shareholders of any bank, banking association or corporation, doing a banking business under the general banking

law, or a special charter of this State, shall be assessed and taxed with respect to their shares of stock, only at the same rate and place, to the same extent, and in the same manner as shareholders of national banks may be liable at the same time to be assessed and taxed by authority of the State of New York; provided, however, that no debts shall be deducted from any such assessment of any person applying for the benefit of this act, which have been deducted from the assessment of other personal property of such person, and on making application for such deduction, every person making the application shall make oath that he has not applied to have such debts deducted from any other assessments against him, and that no such deduction has been made.

§ 2. It is hereby declared that the true intent and meaning of this act, is to place and maintain shareholders of banks, associations, and corporations aforesaid, upon an equality, in the particulars of this act referred to, with shareholders of national banks organized under the act of Congress entitled "An act to provide a National Currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," approved June third, eighteen hundred and sixty-four." And all acts and parts of acts inconsistent with the provisions thereof are hereby repealed.

§ 3. This act shall take effect immediately.

RHODES' JOURNAL

ARBITRATED POINTS.

POINT I.—RETIRED STOCK AS SURPLUS.

Section 5,143 of the Revised Statutes of the United States provides that a National Banking association, may reduce its capital stock. Can such an association, after reducing its capital stock, retain as a surplus, or for other purposes, the whole or any part of the money which it receives for the stock so retired?

We think not. Those stockholders who give up the retiring stock are in all equity entitled to demand that the entire amount received for the stock thus retired shall be paid to them ratably. A stock certificate imports a right, existing in the holder of it, to a pro rata distribution of the corporation effects on hand at the expiration of the charter. Manifestly if a bank has decided to discontinue business and close up its affairs, the holders of stock are absolutely entitled to a distribution among themselves of whatever assets are remaining in the hands of the corporation after its debts are paid. Now, if a corporation, by reducing its capital stock relinquishes a portion of its corporate powers, as it clearly does, it seems to follow from the preceding proposition that the shareholder may properly claim a distribution of such amounts as the corporation has no longer a right to use as capital. When a corporation abandons all its corporate franchises and powers, the stockholders therein are entitled to all the net assets. Why not equally so in case only a portion of these franchises is abandoned? If, on the other hand, it is urged that the directors may deem it advantageous to the stockholders to retain as a *surplus fund* a portion of the amount which has been subscribed and paid for the stock called in, it is difficult to see how this preference or judgment of the directors can be regarded as having greater weight than the preference of the stockholders to receive back the money paid in exchange for the amount of stock retired. This money was paid as capital, and, if it be not required for the payment of debts, it has accomplished the end for which it was subscribed, and ought to be returned to the stockholders. When a bank has retired a portion of its capital, what is its condition? Plainly it has gone out of existence as a corporation with the original capital, and has begun life under a new and different charter. So far as the reduced stock is concerned, or rather so far as the amount of stock actually retired is concerned,

it must be considered as having wound up its business. Therefore, the bank owes a clear duty to the owners of the retired stock, namely, to return the "retired capital" to the stockholders. The matter is not at all discretionary with the directors. If the retired capital be a liability of the corporation in favor of the stockholders who give up the stock, the payment of that debt cannot be in any man's discretion. Payment of that debt cannot be reasonably or honestly deferred on the ground that the Board of Directors believe it for their creditor's advantage to keep him out of his money. It would be strange, indeed, if capital which has accomplished its mission could be diverted from its owner and, against his protest, be used to build up a surplus fund.

POINT II.—A STOCKHOLDER'S RIGHT TO EARNINGS.

Suppose that on January 1, 1880, the Directors of a Bank pass a resolution "that 150 per cent. of earnings previous to Jan. 1, 1880, now standing credited pro rata to each stockholder, and all dividends hereafter made shall be carried to an account known as a surplus fund account, till the full amount of 150 per cent. on the capital stock be paid." Would such a rule control an unwilling stockholder desirous of having his share of the dividends already declared or hereafter to be declared?

Such a rule would not bind a stockholder unless he had expressed his assent to the same. The law as to the relation of stockholders to dividends declared is very explicit. The controlling principle is that when once a corporation, after careful or alleged careful examination of its affairs, has arrived at the conclusion that a surplus exists sufficient to warrant the declaration of a dividend, it should declare the dividend and order the amount to be placed, pro rata, to the credit of the stockholders. Secondly, the share of each stockholder having thus been severed in the ratable proportion from the common funds of the corporation, it has become his individual property absolutely. Thirdly, the corporation henceforth owes each stockholder a debt, measured by the amount of his share of the surplus which has been declared a dividend, payment of which debt the stockholder may at a proper time demand. In just so far as the share of the profits set to him as a dividend is concerned, the interests of each stockholder become not only severed and distinct from, but positively adverse to, those of every other stockholder and of the corporation itself. The directors cease to represent him in relation thereto, and cannot dispose of or deal with the same in any manner without his authority or consent. Such a resolution as the above could in no wise affect the stockholder's rights to dividends before declared or subsequently declared. Even the fact that the corporation might be seriously injured by being compelled to pay the claim of a large number of stockholders on a declared dividend, would not have the effect of diminishing the right of the stockholder to which we allude. At the most, all a court of equity could do to protect the bank, would be to fix upon a reasonable

future date at which the stockholder might exact his share of the declared dividend. It would be highly inequitable if a corporation having, by a declared dividend, acknowledged a separation from its own funds of a certain sum of money to the sole use of a stockholder could, thereafter, nullify its action or repudiate its obligation by declining to pay a claim arising thereunder or by naming a time of payment according to its own discretion or convenience. Such seems to be the view taken of the case supposed in New York, New Jersey and Connecticut.

King vs. P. & H. R. R. Co., 29 N. J., 504.

Le Roy vs. Globe Insurance Co., 2 Edwds. Chy., 657.

Beers vs. Bridgeport Spring Co. Conn. Court of Error, January Term, 1875.

POINT III.—LIABILITY OF PLEDGEE OF STOCK.

Suppose Thompson holds stock of a National Bank in pledge, the certificates of which stand on the books of the bank in the name of the pledgee. Is he, in contemplation of the National Banking Act, a stockholder, and is he under any responsibility to the creditors of the bank?

We are of the opinion that the answer to both questions is properly in the affirmative. The 12th section of the National Banking Act provides for the personal liability of stockholders of national banks for the debts of the corporation, in proportion to the amount of stock held by them. It further enacts that every person becoming a shareholder by transfer, shall succeed to all the rights and liabilities of the prior holder of such shares. A careful examination of a majority of the authorities which involve this 12th section seems to lead to the conclusion that persons holding the stock in pledge, the certificates of which stand on the books of the bank in the name of the pledgee are stockholders, and responsible to the creditors of the bank in proportion to the amount so held. The reason is not remote. The stock stands on the books of the bank in his name. He is held out to the public as a stockholder. Persons dealing with the bank have no means of knowing the nature of the contract under which he holds the stock. They have a right to presume, and are led to believe that he is the absolute owner of it. They are manifestly dealing with the bank upon the faith and credit of parties thus appearing as stockholders. A stockholder is any one who appears on the books of the bank as a share-owner. As such he is entitled to a voice in the management of the affairs of the bank. In only one way can he throw off the liabilities incident to this relation, and that is by transferring his stock. Until this transfer is made he continues to be a stockholder within the meaning of the Banking Act. A single departure from the terms of the law in order to inquire into the equities which may exist between the stockholder and third persons cannot fail to injuriously embarrass creditors who seek a remedy for moneys due them by the corporation. For instance, if the creditors are compelled to look beyond the legal title, how are they to learn

against whom to proceed. Most of the cases on which the above opinions are based did, in fact, arise under State laws making stockholders in corporations personally liable for the debts of the corporation, but the principles which they announce are not less applicable to cases arising under the act of Congress of 1864, chap. 186.

The editor has made the supposition at the head of this article in order by presenting the law which would, in all probability, govern the case, to satisfy the doubts of an ingenious correspondent, who takes exception to our manner of arbitrating on Point VII.—Stock Registry, of the May edition of this Magazine.

Russell vs. Brown, 1 Kern, 153.

Cross vs. Babcock, 10 Metc., 545.

Holyoke Bank vs. Burnham, 11 Cush., 187.

POINT IV.—RIGHT OF NATIONAL BANK TO EXCHANGE SECURITIES.

Suppose a National Bank receive on deposit 7-30 United States bonds, with instructions that they be converted into 5-20 six per cent. United States securities. Would the transaction in question be within the range of banking business authorized by the act of Congress under which the bank exists?

The act referred to confers upon banking institutions certain powers in well-known phraseology. Now the method of the desired conversion may be accomplished by selling the bonds deposited and by purchasing the bonds desired; or by forwarding the deposited bonds to the proper officer of the government, and receiving from him in return the bonds desired. We think the bank would be entitled to bring about this conversion by pursuing either course. It is authorized to receive deposits. It cannot be doubted that it has authority to receive deposits of United States bonds. It is difficult to ascertain why the bank cannot receive a deposit of United States bonds under such a condition as is supposed. The bank is clearly empowered to purchase and sell such bonds. This power is not inconsistent with the general principle whereby it is forbidden to traffic in securities like public stocks. Rigidly as a banking corporation is held to the performance of precisely those acts which it has a right to do, to the exclusion of all cognate acts, it is perfectly clear that it may deliver to the proper government official a given class of securities and receive in return an equivalent amount of a different series. It is the policy of the government to encourage the purchase and sale of its bonds and to facilitate transactions in them, for thereby the value of the bonds is enhanced and the credit of the government promoted. It is not reasonable to suppose that Congress, when passing the General Banking Act, intended to impose restrictions upon national banks, now the most numerous class of financial agents in the country; restrictions, too, which would operate to prohibit dealing in the securities of the government in the manner usual among banking institutions. The

effect of such legislation would tend strongly to lessen the value of these securities and greatly discourage transactions involving them.

Van Keuren vs. Kingston Bank, 54 N. Y., 371.

POINT V.—ULTRA VIRES AGAIN—WHEN NO DEFENCE.

Suppose a National Bank indorses upon a contract of sale and delivery between A and B, that B has deposited \$500 in the bank, "to be held by the bank as collateral security for the faithful fulfilment of the within contract." Suppose, also, that A was led to sign the contract referred to in consequence of the indorsement by the bank. Has the bank the right to take the deposit and enter into a contract on the basis of it? Has the bank a right, in case the transaction is *ultra vires*, to set up such a defence to a claim brought by A?

We think the transaction would not be *ultra vires*. Of course, by undertaking to hold the money as security for B's contract, the bank impliedly promised that, in case B failed to perform his part of the agreement, the bank would pay to A his damages thereby incurred, not exceeding \$500. This promise is implied from the terms of the undertaking, and also from the fact that the bank caused its acceptance of B's deposit to be made known to A, as extra inducement to A before the latter signed the contract. Plainly, the bank has power to receive the deposit. Having this principal power it has likewise the incidental power to assent to any conditions which the depositor might see fit to impose as to the disposition of the deposit; provided always that such disposition be not *in se* illegal. There is no question that if B had seen fit to deposit the amount payable absolutely to the order of A, its receipt by the bank and the issuance of a certificate in accordance therewith, would be undoubtedly a legitimate transaction within the scope of the ordinary business of the bank. It does not, therefore seem reasonable to hold that the bank is any the less authorized to receive the money in consequence of the fact that it was deposited payable to A on the happening of a future contingent event, or in consequence of the further fact that the amount to be paid was also contingent, though capable of being definitely ascertained, and in no event to exceed the amount deposited. Nor can the bank be held in any sense as a surety for B. Its obligation is that of a principal debtor. It is indebted to B for the money deposited, and has agreed to discharge this indebtedness by a payment to A. We are not aware of any provision of law which incapacitates a national bank from taking money on such conditions as those above supposed.

If, however, such a transaction be considered *ultra vires*, it will not follow that the bank is entitled to shelter itself behind this doctrine from the demands of A, who has performed fully his part of the contract with B.

The agreement of the bank, as we have seen, is to appropriate B's deposit to A's use, with the direction of B. It is on this understanding that A signs the agreement with B. A, having fully executed his part of the agreement, is entitled to demand from somebody either a

full performance of B's conditions of contract, or damages for the breach of such conditions as are not performed. It is plain that the party responsible in damages is the bank, at least to the extent of \$500. And insomuch as the undertaking by the bank is at most simply *ultra vires* and not at all illegal, it would be a fraud on A, unredeemed by any considerations, if the bank could escape its liability to A by the broad highway of *ultra vires*.

Whitney Arms Co. vs. Barlow 63 N. Y. 62.

Cropsey vs. Sweeney, 27 Barb. 310.

POINT VI.—TAXATION OF NATIONAL BANKING HOUSE.

Suppose a State law requiring shares in National Banks to be taxed at "their actual value without reduction for real estate." Would the banking house and lot owned and occupied by a National Bank as its place of business, be liable to assessment and taxation as real estate?

The determination of this question is not easy. The general policy of the law is to avoid duplicate taxation. No one subject of taxation should be compelled to contribute more than once to the same public burden, while other subjects of the same class are required to contribute but once. In the exposition of any tax law, therefore, a construction leading to a duplicate taxation should be avoided. Now, the aggregate capital stock of a corporation is but the representative of its entire property, including the corporate franchise. The actual cash value of the former depends upon the productive character and real cash value of the latter. Technically the capital stock can have no value, as separate and distinct from the corporate property it represents; nor is the property, character or value of such stock increased, or in any way affected by its division into shares, unless, forsooth, all the parts are unequal to the whole. Each share represents a proportional interest in the corporate property, determined by the exact ratio existing between it and the entire stock and it possesses a like corresponding value. Sever the connection between the stock and the shares composing it, on the one hand, and the corporation and its property, on the other, and nothing will remain to the former but a mere shadow to which no commercial value can be imparted by any legislative device whatever. Any legislation, therefore, which requires for the purpose of taxation an *ad valorem* assessment of all the shares of stock in a bank, as property, without allowing any reduction on account of the value imparted to them as the representative of the corporate property and franchise of the bank, and also a like assessment of the corporate property itself under its own peculiar designation, necessarily provides for a double taxation. Now, it is clear that, if the real property of a national banking association is liable to assessment and taxation *eo nomine* as real property, in addition to the tax upon the shares, the *total banking capital* is subject to double taxation to an extent measured by the tax imposed directly upon the real

estate. Moreover, it would violate the principle of equality as between the stockholders of different banks; for it is obvious that a shareholder in a bank having a part of its capital invested in real estate, to wit, a valuable banking house and lot, would be subjected directly and indirectly to a greater amount of tax upon his investments, than one owning stock of like value and amount in an institution owning no real property, not even the banking house in which it transacts its business. A construction of law leading to such results is repugnant to all correct ideas of justice and equality. The only legal and equitable method of taxation, is that which taxes the shares of an entire capital, having its basis in the aggregation of all the franchises, cash and real estate of the banking association. Indeed, we venture to say that, if any law provided for the taxing of the real estate of a banking institution *eo nomine*, no other method of taxation would be allowed, and the shares of the bank would be taxed as on a capital not including the value of the said real estate. The imposition of the same tax both upon the capital and the property in which it is invested, or upon either, and the shares representing it, would violate the cardinal principal of equality in taxation, which constitutes its distinguishing feature. The banking house and lot in question would not be liable to taxation as *real estate* against the bank.

City Bank *vs.* Paducah, 5 Cent. Law Journal, 347.

Hepburn *vs.* School Directory, 23 Wall, 430.

POINT VII.—SAFE DEPOSIT CO. AND DISCOUNTING.

Suppose a Safe Deposit Company incorporated under chapter 816 of laws of 1868 of New York State. Suppose Jones and wife execute a mortgage to a trustee, with Jones' bond as collateral, for the benefit of the company, to secure it for any indebtedness it might hold against Jones upon or by reason of negotiable paper. Suppose the company is subsequently adjudged a bankrupt, and that at this time it holds numerous promissory notes made to it by Jones, which the company, while solvent, had discounted. Are the notes and the loans evidenced by them valid?

We think that the notes are void, and that the loans evidenced by them are not recoverable against Jones or his representatives. Under the act in question, the corporation had power, among other things, to receive money on deposit and to loan money on real estate security. There is nothing, however, in the language of the act, to indicate that the corporation was vested with authority to discount notes. Not being incorporated for banking purposes expressly, the power of discounting cannot be inferred by implication. Part I., chap. 18, title 3 of the Revised Statutes, provides in the fourth section that "no corporation not expressly incorporated for banking purposes shall by any implication or construction be deemed to possess the power of discounting bills, notes or other evidences of debt." This corporation would be also subject to the provisions of the statute known as the "restraining

act " which, among other things, by its third section, prohibits incorporated companies, not so authorized by law, from making discounts, and declares void all notes or other securities given to secure the payment of any money loaned or discounted in violation of this section. Hence, this Safe Deposit Company not only had no power to discount Jones' notes, but is expressly prohibited by law from doing so. Obviously the notes are absolutely void. It may be contended, however, that while the notes are void, the loan itself would be valid, and that an action for money loaned would lie against Jones. This argument has an apparent basis in the decisions rendered by New York Courts in what are known as the Utica Insurance cases. But the soundness of those decisions has been repeatedly questioned, inasmuch as they permit the violator of the law to recover upon a contract constituting the violation. Such a transaction as the one supposed is not merely *ultra vires*, or beyond the powers of a safe deposit company organized as above stated, but it is unquestionably illegal. The distinction between want of power and illegality is clearly taken by all the decisions. The better opinion seems to be that the safe deposit company or its assignees in bankruptcy, in the present instance, the former having parted from the money in a transaction clearly illegal, and being thus *particeps criminis*, would be prevented from recovering on grounds of public policy. The whole theory of the restraining acts of New York State requires that the discounting of the notes was illegal, and that the illegality vitiated the entire transaction. No recovery could be had by anybody against anybody.

New York Trust Co. vs. Helmer, 12 Hun., 35.

Curtis vs. Leavitt, 15 N. Y., 98.

* Replies to Questions Addressed to the Editor.

EDITOR RHODES' JOURNAL:

NEWBURGH, N. Y., May 23, 1880.

If I make a note to a bank, with Brown and Smith as my sureties, can the bank pay that note out of my individual deposit? This note, mind, is a joint and several one by the principal and sureties.

X. Y. Z.

Ans. We think the bank would not have this right, but the case supposed barely escapes; for the relation in which you stand to the bank as an individual depositor is almost identical with the relation in which you, the principal, stand to the bank as an individual debtor on the note. But the rule is that the bank can pay a debt due from its *debtor*, by withdrawing a sufficient amount from the account of its *depositor*, only when the person who is both debtor and depositor stands in exactly the same relation toward the bank in both these characters. In the case you suppose, you are individually a depositor but jointly a debtor. This "duplex relationship" compels the bank to keep your account as depositor distinct from the joint and several note, and your obligation thereupon. However, the bank has a lien on your deposit for the payment of your note, and may transform that lien to an execution issuable against the deposit.

EDITOR RHODES' JOURNAL:

HARTFORD, CONN., May 19, 1880.

In this city there is a bank, one of whose by-laws states that all errors in payments over the counter, or in receipts or entries in a depositor's bank-book, must be corrected by the customer before leaving the bank-room. Is such a by-law binding?

S. J. C.

Ans. Such a by-law is ridiculous, and has no binding effect whatever. It ought to be turned over to the tender mercies of Mark Twain. The authority given by legislative enactment to the bank directors, to regulate the affairs of the bank, does not extend to an injurious treatment of third parties. If it be shown that a bank customer soberly consented to become bounden by such a rule, it might indeed go far to corroborate better evidence of the accuracy of the receipts or entries in his bank-book; but the mere fact that he has not openly, and in so many words, declared his intention to disregard the by-law, would never operate to create the presumption of his assent to it. The usage of a bank to refuse to make corrections in a bank-book, except such a by-law as the above had been approved by the customer, would be treated as illegal by the Courts.

EDITOR RHODES' JOURNAL:

AUGUSTA, MAINE, May 14, 1880.

I see that Senator Windom is mentioned by some republican newspapers as a "dark horse" at the Chicago convention soon to meet. Do you think that his bill for National Savings Banks is indicative of financial wisdom? CONSERVATIVE.

Ans. We think it indicative of what Henry Ward Beecher calls "altitudinous unwisdom." In the words of a subscriber to the JOURNAL—

* Letters of correspondents are sometimes too long, or the point is not stated with sufficient clearness. In such cases the inquiries have to be re-written and condensed.

words which forcibly express our own sentiments—"There is no profit in it to those who undertake to run such an institution solely, in good faith. There are no guards as to the character, capital or standing of those who may undertake such management. There are no restrictions on expenses. All penalties are paid out of the depositors money. One effect of this bill, and, perhaps its object, will be to open the door to each national bank, if it so desires, to start a savings department in co-operation with its principal business. This is a dangerous tendency. A combined savings and commercial bank would be about as safe as a hydrogen gas balloon combined with a fire balloon."

EDITOR RHODES' JOURNAL:

ST. LOUIS, MO., May 31, 1890.

Should a cashier of a bank stay with his institution even knowing that the concern is in great danger of failure?
Panic.

Ans. This is a mixed question of ethics and expediency. The consideration of ethics affects the cashier; that of expediency affects the bank. If the cashier concludes after a careful examination of all the facts in the case, that his continuance might avail to delay or to altogether avert the pending calamity, it is his clear duty to remain for the sake of the bank and its customers. If, on the other hand, he concludes that his withdrawal would not in any degree precipitate the failure, it is his clear privilege to withdraw. But just here lies the principal difficulty. A cashier is the chief executive officer of the bank. His control in the direction of its affairs is very general. As a rule its simply clerical workings are supervised by him or his immediate representatives to the practical exclusion of the bank president and directors. He has the best opportunity to gain information as to the condition of the affairs of the corporation. Assuming, then, this particular cashier to resemble the average cashier in these respects of superior influence, personal supervision, and facility of obtaining information, the question arises as to how far he may be the moving cause of the danger which impends. Manifestly, if, by reason of his incapacity, negligence or fraud, he has contributed to create the possibility of insolvency, the cashier cannot, with any show of honor, abandon the bank. If, on the other hand, he can satisfy his conscience and sanctified common sense, which a bank officer ordinarily possesses, that he is neither actively or passively responsible for the evil state of the bank's affairs, he may reasonably conclude that those objections to his withdrawal which are of a peculiarly personal and ethical character, do not alone suffice to make it his duty to remain. Many other conditions of greater or less importance are involved in our correspondent's query; of course a cashier whose only moneyed interest in a bank is his salary, occupies a very different position toward a possible failure, from the cashier who has large sums of money invested in the shares of bank capital. But we think

the considerations referred to are the only ones involved in the response appropriate to the query. From the technically legal standpoint there is no doubt as to the cashier's right of withdrawal. It is absolute.

ROCHESTER, N. Y., May 29, 1880.

EDITOR RHODES' JOURNAL:

Please give me briefly the outline history of what are known as the bank restraining acts in New York State. Also, tell me whether all are in force at this date which have ever been passed and, if not, which ones are now controlling. BANKER.

Ans. At common law every individual and every collection of individuals has the right of banking. The rapid increase of banking institutions led, quite early in the history of this State, to a legislative restraint on the universal privilege. In 1804, the New York State Legislature passed an act called a restraining act, which provided that "no person unauthorized by law can become a member of an association, etc., or proprietor of any bank or fund for issuing notes, receiving deposits, making discounts, or transacting other banking business." This statute was incorporated, with additions and annexed penalties, into the revised laws of 1813. In 1818 the Legislature further restrained private banking by an act and penalties, with certain special limited exceptions. The Revised Statutes provided that no corporation, not expressly incorporated for banking purposes possesses the power of discounting bills, notes or other evidences of debt, of receiving deposits, of buying bullion and foreign coin, of buying and selling bills of exchange, or of issuing bills, notes or other evidences of debt upon loan or for circulation as money. In the same statutes also was added a restriction providing that "no person unauthorized by law can become interested in any association or fund for the purpose of receiving deposits, making discounts, or issuing notes or other evidences of debt to be loaned or put in circulation as money. No corporation unauthorized by law can employ any part of its effects, or be interested in a fund for such purposes, or either of them," and that all securities given in violation of these provisions shall be void. By the sixth section of the same act, which has since been in part repealed, it was provided that "no person or association of persons, or body corporate, except such bodies corporate as are expressly authorized by law, shall keep any office for the purpose of receiving deposits or discounting notes or bills, or causing any evidences of debt to be loaned or put in circulation as money; nor shall they issue any bills or promissory notes or other evidences of debt, as private bankers, for the purpose of loaning them or putting them in circulation as money, unless specially authorized thereto by law. It was held by the courts of this State, after the enactments of the restraining acts of 1804 and 1813, that the right and privilege of carrying on banking operations by an association or company, is a franchise which can only be exercised under a legislative grant. It was held by

the courts that the provisions of the Revised Statutes, as modified by the act of 1837, only prohibit banking business being done by individuals or companies not having such banking powers as are usually and ordinarily used and possessed by banks of issue, and of discount and deposit. But that receiving deposits of money in trust, and issuing certificates therefor, making investments of bonds and insurances upon lives, is outside of the general routine of business conducted by banks, and is therefore not prohibited. These restraining provisions apply to foreign corporations as well as to those of the State. A foreign corporation which has kept an office and loaned money in violation of the acts cannot recover the loan. In consequence of the controversies which arose, and of the "free banking system" of 1838, the Legislature in the year 1840 declared that "no banking association or individual banker shall issue or put in circulation any bill or note of such association or individual banker, unless payable on demand and without interest." This was held to extend to all negotiable instruments. The Constitution of 1846, Art. 8, § 1, provides that no act shall be passed granting any special charter for banking purposes. The stockholders in every corporation and joint-stock association for banking purposes, issuing notes of any kind to circulate as money after January 1, 1850, are to be individually responsible to the amount of their respective shares therein, for all debts and liabilities contracted after that day. In case of insolvency of any bank or banking association, the bill-holders are to have the preference over all other creditors. This is an epitome of the restraining laws of this State as to banking business. Such provisions as we have quoted or described all remain in force, except as stated otherwise above.

WHITEHALL, MICH, May 21, 1880.

EDITOR RHODES' JOURNAL:

If a note is made payable at People's Bank and before the note matures the bank has been reorganized as the People's National Bank, without change of officers or location, would a presentment at People's National Bank be sufficient. X. Y. Z.

Ans. There is no good reason why it would not be sufficient. The cases in which the question has been raised are very few. In Louisiana the judges held that, when the office at which payment was to have been made had ceased to exist previous to the maturity of the note, no demand at all would be necessary. See *Ervin vs. Adams*, 2 La. 318. In Alabama a similar conclusion was reached, although the bank at which payment was to have been made had been sold to another similar corporation, which was made the agent of the former to settle its affairs of discount and deposit. On the contrary, however, the judiciary in the State of Maine have been more watchful to secure a formal presentment. In *Central Bank vs. Allen*, 16 Maine, 41, a case where the bank at which the note was payable had ceased to exist, and its place of business was occupied by another bank, without any arrangement by the latter as to settling up the

business of the former, the Court seemed disposed to think that presentment should still be made. *Weston C. J.* said: "And we are inclined to the opinion that the Branch Bank having ceased to operate, if their banking house had not been occupied by a similar institution, presentment would have been excused. But since this was the place of demand, and a banking institution, though by another name, is here located, a presentment at this latter bank is sufficient." It seems, therefore, that in the case supposed a presentment at People's National Bank would be sufficient, even though this corporation has never engaged to wind up the affairs of the People's Bank. While if this corporation has so engaged, the presentment supposed would be both sufficient and necessary.

See *Roberts vs. Mason*, 1 Alabama, 373.

KINGSTON, N. Y., May 19, 1880.

EDITOR RHODES' JOURNAL:

Annoyed by a great variety of opinions expressed at my request in reference to the rules established in this State as to the effect of stock subscription, I beg of you to give me something reliable on this subject.

Would-be-Subscriber.

Ans. Relying on the most approved text-book which treats of corporations, we venture to allege that the following principles are well established in New York State. 1. The subscription for stock is one entire contract, and the promise to pay by instalments at such times and in such sums as the company may by calls made for that purpose duly designate. 2. A right of action exists on the part of the company against the subscriber, to recover the amount of any call for which default in payment is made. 3. A right to declare a forfeiture of stock by the company, for default in payment of calls, is also a right created by the charter in such cases. 4. But the company do not possess the power under such a charter to pursue both remedies to enforce the demand for the same call. 5. After a corporation pursuant to a provision of its charter, has declared the stock of a subscriber forfeited for non-payment of an instalment made due on his subscription by a call, it cannot maintain an action to recover for the sum so made due by the same call, nor for any balance then unpaid upon his subscription. 6. When an action is commenced to recover certain instalments upon a subscription which had been duly called, and default made in payment, and afterward a further call made, and the stock forfeited for the non-payment thereof, the subscriber will be permitted to plead such forfeiture in bar of the further maintenance of the action. 7. When a corporation under such circumstances has exercised its right to forfeit the stock for unpaid calls, though the stock is of greater value than the balance due on the subscription, the subscriber cannot recover the surplus on the amount already paid. 8. The exaction of the forfeiture operates as a rescission or satisfaction of the contract. The forfeiture is not in the nature of a pledge

or mortgage of the stock, and the exercise of the right of forfeiture leaves no further remedy for the recovery of the debt.

See Potter on "Laws of Corporations."

ST. PAUL, MINN., May 26, 1880.

EDITOR RHODES' JOURNAL:

Section 29 of act of Congress of June 3, 1864, provides that the total liabilities due any association shall at no time exceed one-tenth part of the amount of capital stock of such association actually paid in. Suppose a bank, whose paid-in capital is \$50,000, has loaned me \$20,000, haven't I a right, when the bank demands payment, to set up that the bank had no right to make this loan in excess of the charter provision, and has, therefore, no right to collect? What of *ultra vires* here? FAIR PLAY.

Ans. No, sir; you couldn't avail yourself of the plea. You are stopped from alleging that the bank had no right to loan the money. It is, indeed, primarily essential to the validity of any contract to which a bank is a party, that the undertaking of the bank therein should be within the scope of its legitimate powers. Nevertheless, the Supreme Court of the United States, endeavoring to harmonize the general doctrine of *ultra vires* with the principles of general justice, have always held that the prohibition of an act, as a matter of discretion in the management of the institution, does not necessarily render a contract made in violation of that prohibition unenforceable in the courts. The use of courts of justice for the enforcement of such contracts is regulated altogether upon the grounds of public policy, and not for the benefit of either party to the illegal contract. Public policy does not require that loans made by national banks in excess of the proportion fixed by the charter, should be avoided at the option of the debtor, as this would be to injure creditors, stockholders and all who have an interest in the safety and prosperity of the bank, to secure which the limitation of the amount of loan is prescribed. So much do the courts seek equity in administering the law of *ultra vires*, that it seems if a bank should take from a debtor real estate, which it had no right to hold, the title of the bank therein would not be defeasible at the instance of the debtor, but only at the instance of the State. Further than this we venture to go. Even though the title of the bank should be set aside, in a process instituted by the State, the land would not revert to the debtor, but would fall in to the State. The debtor would, in the meantime, be discharged of the indebtedness for which the land was taken. Our correspondent would be compelled to pay the loan of \$20,000. If he wants revenge let him sue the bank for the penalty, or go to the head of the Banking Department and complain.

Leazure vs. Hillegas, 7 Livg. and R., 313.

Gold Mining Co. vs. National Bank, 6 Otto, 640.

DES MOINES, IOWA, May 31, 1880.

EDITOR RHODES' JOURNAL:

A bank receives from another bank promissory notes of third persons for collection merely, which notes are subsequently paid by the makers, but which does not part with value, give credit, relinquish any security, or assume any burden or respon-

sibility on the faith of the notes. Can the bank retain these notes, or their proceeds, as against the true owner, on account of a balance due from the bank from which the notes were received for collection?

D. J. C.

Ans. Most certainly, no! When a banker, having mutual dealings with another banker, is in the habit of transmitting to him, in the usual course of business, negotiable paper for collection, the collection being, in fact, sometimes on account of the transmitting banker himself, and sometimes on account of his customers, and he fails while owing his corresponding banker a balance on general account, the corresponding banker having received such paper, cannot retain to answer that balance any paper so transmitted for collection which actually belongs to third persons, if he knew it was sent for collection merely; neither can he retain it if he did not know it was so sent, unless he gave credit to the transmitting banker, to be met by the paper transmitted, or expected to be transmitted, in the usual course of dealing between them. But if the receiving banker has treated the transmitting banker as owner of the transmitted paper, and had no notice to the contrary, and upon the credit of such remittances, made or anticipated in the usual course of dealing between them, balances were from time to time suffered to remain in the hands of the transmitting, and now insolvent banker, to be met by proceeds of such negotiable paper transmitted, then the receiving banker is entitled to retain the paper or its proceeds against the banker sending it, for the balance of account due him, the receiving banker. As respects the knowledge of or notice to the receiving banker, it is unimportant from what source he may have derived it.

Case vs. Mechanics Banking Association, 4 N. Y., 166.

McBride vs. Farmers' Bank, 25 Barb., 657.

BROOKLYN, N. Y., June 1, 1880.

EDITOR RHODES' JOURNAL:

I am in the habit of discounting notes for several of my friends in a small way. Am I open to the legal penalties which attach to what is known as "unauthorized discounting?"

BROKER.

Ans. You are not. When a man is simply dealing with his own private funds in a private manner, occasionally discounting a note for a friend, he cannot be said to be within the legislative prohibition. In order to bring the transaction known as "discounting" within the significance attached to the term by the judicial interpretation of the restraining acts, this particular banking function must be carried on with money, a portion of which at least, belongs to other persons than the discounter, intrusted to the discounter, partly with a view to the very process in question. Furthermore, it is almost equally essential that the discounter use this money thus intrusted, not on comparatively rare occasions, but with frequency. He must hold himself out as an agent having control or arrangement of the commingled sums of

several for purposes of discount. In short he must keep a discount office, actually and constructively, else the Restraining Act will not reach him.

TROY, N. Y., June 3d, 1880.

EDITOR RHODES' JOURNAL:

In the new department, "RHODES' JOURNAL ARBITRATED POINTS," Point I. page 251, of the May issue, refers to what is termed the "grace-iousness of checks." The example cited reads thus:

Assume an instrument drawn in this form:

"\$500.

N. Y., April 10, '80.

Cashier Park Nat'l Bank:

Pay John Smith or order five hundred dollars on May 10, 1880.

(Endorsed)

(Signed)

JOHN SMITH.

JOHN BROWN."

Is such an instrument entitled to days of grace?

You reply as follows:

"It depends entirely on the customs as to days of grace which are binding in the State where the Park National Bank is situated. If that State is Connecticut, the instrument would be payable without grace on the day when, by its tenor, it becomes due. If that State is New York, then the instrument is entitled to three days of grace."

You have overlooked the laws of the State of New York in relation to grace on checks, passed April 17, 1885, which reads as follows:

"SEC. 2. All checks, bills of exchange or drafts appearing on their face to have been drawn upon any bank or upon any banking association or individual banker, carrying on the banking business, under the act to authorize the business of banking which are on their face payable on any specific day, or in any number of days after the date or sight thereof, shall be deemed due and payable on the day mentioned for the payment of the same without any days of grace being allowed."

Please make the correction in your next number, otherwise many bankers will be led astray.

On page 264 of the May number, under "Replies to Questions," I find the following:

I am still in a maze as to the amount of interest which the new interest law in this State allows on contracts entered into before Jan. 1, 1880, when this law went into operation. Will you enlighten me?

CHANCE READER.

The first part of your reply reads as follows:

"The assumption is that the contract bears a date prior to January 1, 1880. Now, no matter how long this contract may have to run, unless it expressly provides for the payment of seven per centum interest, it will carry only six per centum after January 1, 1880."

The following decision was rendered by Judge Ingalls of the Supreme Court, held February 20, 1880, at Troy:

In the suit of F. A. Stow against Herman Wager and others, on action for foreclosure of a mortgage payable with interest. During the trial of this suit Judge Ingalls decided that in the cases of contracts made prior to January 1, 1880, when the new interest law went into effect, the principal would draw interest at seven per cent. until paid.

This decision, unless reversed, is one of considerable importance.

Yours Respectfully,

R. H. THURMAN, Cashier.

Ans. RHODES' JOURNAL invites the strictest scrutiny, and is ready to acknowledge receipt of all valuable suggestions made by its correspondents. The distinguished banker who penned the above letter is perfectly correct in his statement that we are in error on page 251, May edition of JOURNAL. The error, however, is not the result of

ignorance, but of carelessness. The words, "in one month after date," should occupy the place now occupied by the phrase "May 10, 1880." It seems probable that the editor, while endeavoring to secure brevity, sacrificed, unwittingly, the one essential item of his postulate; for in the merely clerical work of revising his manuscript, he must have substituted the expression "May 10, 1880" for the all important phraseology "in one month after date." This was an accident, resulting from inattention and, as such, is regretted. If our correspondent will substitute the words "in one month after date" for "May 10, 1880," he will agree with our conclusions as to the instrument thus rehabilitated. On April 30, 1872, the Court of Appeals of this State, in *Commercial Bank of Kentucky vs. Varnum*, 49 N. Y., 269, held that the act of 1857 in relation to commercial paper only abolishes grace upon paper which is "*on its face* payable on a specified *day*, or in any number of *days*, or at sight thereof after the date." It does not include such paper as is payable on its face in *months* or *years*. The Court held that the language of the act must be strictly construed. An examination of the case will satisfy our correspondent that our views as to the corrected postulate are well-founded. We offered them, having in full view the act of 1857 and the cases resting upon it. As to the decision of Justice Ingalls on the effect of the new interest-law we have nothing to say, except that the fourth sentence of our first answer on page 264, of May edition of RHODES' JOURNAL was written particularly with a view to cover the very case cited by our correspondent. An examination of the mortgage there in suit, compels the conclusion that "the contract promises 7 per cent. until the whole of the principal is paid off." It was the elaborate exposition of Justice Ingalls which, more than any other consideration, led us to the conclusions announced in the paragraph to which our lynx-eyed correspondent has reference.

The tax-payers of New York applaud Governor Cornell's eminent services in saving them from paying a batch of items which was hitched on the supply bill and rushed through the Legislature. The supply bill contained, as it finally passed, 216 items, amounting to \$1,575,273 58. Governor Cornell has vetoed 139 of the items, aggregating \$948,636 58, thus leaving the bill with only 77 items, appropriating a total of \$627,237. The Governor had also vetoed all of the special appropriations in the Canal bill. He has thus reduced the amount of appropriations made by the Legislature more than \$1,000,000. Well done.

The extraordinary vitality of this country is strongly exemplified by a few items relative to our National debt. This debt was at its *maximum* in August, 1865; since which time we have paid off not far from one thousand millions of dollars of the principal, in addition to the payment of nearly two thousand millions of interest. The principal of the debt has decreased from nearly \$2,800,000 to \$1,950,000, and the annual interest from \$151,000,000 to \$80,000,000, in addition to vast reductions in taxation. At the present time the amount of debt *per capita* of the population is only about \$40, against nearly double that amount in 1865, and the annual interest about \$1.60 *per capita*, against \$4.30 in 1865. These results are not only satisfactory, but something of which the Republic may well be proud, and the policy which has accomplished them is evidently the one that should be pursued in the future.

Bank Checks—Their Nature and Value.

The following points are submitted as to the functions of bank checks, as inquiries are frequently made on this subject:

The principles of law governing negotiable paper, apply generally to bank checks, though it is not the principal object of the latter to be negotiated. A check is always supposed to be drawn against funds; and there is much authority for holding it to be, in some important respects, an appropriation of those funds. But it is not reasonable to contend that the bank could disregard the instructions of the maker in forbidding payment, as to him it is merely an agent, and under ordinary circumstances the bank owes no duty to the holder of a check.

It is well settled that to constitute an assignment of the money, the order to pay must specify the particular fund upon which it is draw, and until the check is presented and accepted, it is *inchoate*, before which the drawer may withdraw his deposit, though the bank knew the check had been drawn.

The right of the depositor is a *chose in action*, and the interest accruing to a lawful holder by assignment, may be transferred to another, even by parol, if there be a manual delivery, and the vesting of the *whole* interest confers the right on the assignee to maintain an action in his own name.

A check should be endorsed to save to it its original character and quality of negotiable paper, though if this be omitted, the rights of the payee at the time of transfer, are assigned, and the certification by the bank of such a check, makes it liable to the holder, as if the check were negotiable; for the debtor has the right to promise to pay the assignee after notice of the assignment of the *chose in action*.

If the check were given for the accommodation of the payee and by him applied to his indebtedness to another not contemporaneously contracted, the same rule applies.

Of course, a certification or acceptance is not an absolute promise to pay, but rather an undertaking that funds sufficient to meet the check shall not be withdrawn to the *prejudice* of the holder, as its only obligation is to pay over according to the *direction* of the *depositor*, and any statement made by a teller as to the genuineness of a check, beyond the signature, being a mere matter of opinion, it must be held to have been so understood by the person making the inquiry.

BANKING AND FINANCIAL NEWS.

Taxing Banks and Capital.—The following is the full text of the new law relative to the taxation of banks and moneyed capital in the State of New York:

SECTION 1. Every corporation, company or joint-stock association created under the laws of any other State or country, and the managers or agents of every such corporation, company, or joint-stock association, who receive deposits, loan money, sell bills of exchange, or issue letters of credit, or in any other manner are engaged in business as bankers in this State, shall annually, on or before the first day of February in each year, pay to the Comptroller a State tax of one-half of 1 per cent. on the average of all sums of money used, or employed by them in this State, during the year ending the preceding 31st day of December.

SEC. 2. It shall be the duty of every corporation, joint-stock association, and of the officers, managers or agents thereof, who under the provisions of this act are liable to pay a State tax, to make return to the Comptroller in writing on or before the 1st day of February in each year, of the State tax to which they are so liable, and of their deposits or sums of money used or employed respectively on which such tax is based, which return shall be verified by oath or affirmation, and for any failure or neglect to make such return or pay such tax, a penalty of ten per cent on the amount of tax due is hereby imposed; such penalty and the tax to be recovered by the people of this State, in an action to be brought in any court of competent jurisdiction by the Attorney-General at the instance of the Comptroller.

SEC. 3. The stockholders in every bank, banking association, or trust company, organized under the authority of this State, or of the United States, shall be assessed and taxed on the value of their shares of stock therein; said shares shall be included in the valuation of the personal property of such stockholders in the assessment of taxes at the place, city, town, or ward where such bank, banking association, or trust company is located, and not elsewhere, whether the said stockholder reside in said place, city, town, or ward or not; but in the assessment of said shares, each stockholder shall be allowed all the deductions and exemptions allowed by law in assessing the value of other taxable personal property owned by individual citizens of this State, and the assessment or taxation shall not be at a greater rate than is made or assessed upon other moneyed capital in the hands of individual citizens of this State. In making such assessment there shall also be deducted from the value of such shares such sum as is in the same proportion to such value as is the assessed value of the real estate of the bank, banking association, or trust company, and in which any portion of their capital is invested, in which said shares are held, to the whole amount of the capital stock of said bank, banking association, or trust company. Nothing herein contained shall be held or construed to exempt the real estate of banks, banking associations, or trust companies from either State, county, or municipal taxes; but the same shall be subject to State, county, municipal, and other taxation to the same extent and rate, and in the same manner according to its value as other real estate is taxed.

SEC. 4. There shall be kept at all times in the office where the business of each bank, banking association, or trust company, organized under the authority of this State, or of the United States, shall be transacted, a full and correct list of the names and residences of all the stockholders therein, and of the number of shares held by each; and such list shall be subject to the inspection of the officers authorized to assess taxes, during the business hours of each day in which business may be legally transacted. The managers or agents of any corporation, company, or joint-stock association mentioned in the first section of this act shall keep at all times in the office where the busi-

ness of such corporation, company, or joint-stock association is transacted in this State, a full and accurate account of the moneys used or employed, and of the deposits therein, and such account shall be subject to the inspection of the Comptroller, or of any clerk designated by him to inspect the same, during business hours of any day on which business may be legally transacted.

SEC. 5. When the owner of stock in any bank, banking association, or trust company organized under the laws of this State, or of the United States, shall not reside in the same place where the bank, banking association, or trust company is located, the Collector and County Treasurer shall, respectively, have the same powers as to collecting the tax to be assessed by this act as they have by law when the person assessed has removed from the town, ward, or county in which the assessment was made, and the County Treasurer, Receiver of Taxes, or other officer authorized to receive such tax from the Collector, may all or either of them have an action to collect the tax from the avails of the sale of his shares of stock, and the tax on the share or shares of said stock shall be and remain a lien thereon from the day when the property is by law assessed, till the payment of said tax, and, if transferred after such day, the transfer shall be subject to such lien.

SEC. 6 For the purposes of collecting the taxes to be assessed under sections 3, 4, and 5 of this act, and in addition to any other law of this State, not in conflict with the Constitution of the United States, relative to the imposition of assessment and collection of taxes, it shall be the duty of every such bank, banking association, or trust company, and the managing officer or officers thereof, to retain so much of any dividend or dividends belonging to such stockholder as shall be necessary to pay any taxes assessed in pursuance of sections 3, 4, and 5 of this act, until it shall be made to appear to such officer or officers that such taxes have been paid.

SEC. 7 This act shall take effect immediately.

Product of the U. S. Mints.—The following is a statement (June 1,) showing the number of pieces and value of the coinage executed at the United States' Mints during the month of May :

Gold.	Pieces.	Value.
Double eagles.....	49,000	\$980,000
Eagles.....	191,230	1,912,300
Half eagles.....	307,109	1,535,543
Total.....	547,339	\$4,427,845
Silver dollars.....	2,267,000	2,267,000
Cents.....	3,410,000	34,100
Total coinage for the month.....	6,224,339	\$6,728,945

Our Foreign Trade.—The monthly official returns of the Foreign trade of the United States show a continuance of the large gain of imports on exports. The Bureau of Statistics reports the April imports of merchandise at \$74,388,890, against \$42,136,101 for the like month of 1879—an increase of \$32,252,789, or at the rate of 76¼ per cent. The exports of merchandise were also very large; but do not show a ratio of gain at all proportionate to that which appears in the imports. For the month of April the shipments of produce and merchandise are valued at \$70,538,242, against \$54,341,862 in the same month of 1879; an increase of \$16,196,380, or at the rate of 30 per cent. It is too early as yet for the recent decline in prices to show its effects on the official figures of imports; as much of the arrivals are in pursuance of orders given before the decline occurred. The exports, however, show the effect much more quickly, as a fall in prices immediately encourages shipments. Considering how rapidly stocks of foreign merchandise are accumulating in our markets, and that to further increase them would only add to the prevailing general weakness of prices, it would seem reasonable to anticipate an early abatement of the large import figures that have been conspicuous for some ten months past.

The figures covering the ten months ending April 30 show that the imports of merchandise and specie reached a total of \$633,100,000, against \$388,600,000 for the same months of 1878-9. We have thus an increase of \$244,500,000 on the ten months' imports, or at the rate of 63 per cent.; which may be safely regarded as one of the most remarkable fluctuations in the history of our foreign commerce. The exports also exhibit a

gratifying gain, but not in any such ratio as appears in the import trade. The value of the shipments of merchandise and specie, for the ten months, is stated at \$712,000,000; which is an increase of \$79,500,000 on the same period of 1878-9. Comparing the imports of the ten months with the exports (specie in each case included) we find a surplus of exports over imports amounting to \$79,000,000; whereas, for the same period of 1878-9, the surplus amounted to \$243,800,000.

A Good Appointment.—Bank Superintendent Hepburn has appointed Col. James S. Thurston, of Binghamton, New York, as his Deputy. Colonel Thurston was a pay-master during the war, afterward treasurer of the Southern Tier Savings Bank of Elmira, and later a newspaper publisher of acknowledged ability. He is a thoroughly safe and practical man, and the savings banks of the State, especially, are to be congratulated on his appointment.

With such men as Hepburn and Thurston at the head of the bank department, the banking interests of the State will be carefully guarded, while at the same time there is the assurance that the officers and managers of the savings banks will find the department as now conducted, to be a friend and helper of the system, generally, in marked contrast to the scandal-bureau tactics which was the prominent feature of the department during Mr. Lamb's official career.

By the way, what has become of the late Acting Supt.? He has dropped quite out of sight. Perhaps he will be unearthed when his friend W. J. Best is required to show up the true inwardness of how they managed to wreck the National Trust Co. of this City, and other doings of the Lamb-Best combination.

No fear of a "receivership ring" forming part of the present administration of the New York Bank Department.

A New kind of Savings Bank.—The especial attention of our readers is directed to the notice of the Sacramento (Cal.) Savings Bank, in the business department of this Magazine, notifying the depositors that the management had unanimously decided to close up the business of the bank, pay all deposits, dividends and claims on demand, and besides, pay depositors a dividend of 6 per cent. per annum, from the earnings from Jan. 1, to May 1, 1880; also an extra dividend of $4\frac{1}{2}$ per cent., of the reserve fund.

There is something so novel about this proceeding that it merits more than a passing notice. The reason for it is found in that product of Kearneyism, the new Constitution of California, which taxes the Savings Banks upon all their cash mortgages, &c., and then the depositors are also taxed for their *deposits, thereby virtually levying double taxation upon the depositor's money.

But our readers will be glad to learn something more of the new institution which has taken the place of the Sacramento Savings Bank. First of all, it transacts no commercial business, which is equivalent to saying that a purely savings and investment business is carried on.

We are informed that the Sacramento Bank will, from and after July 1st, 1880, be prepared to make loans in sums of \$500 and over, upon improved farming lands in 12 of the best Counties of California, and will guarantee for a reasonable commission the payment of both principal and interest.

The ruling rate in that State for such A 1 loans is at present 10 per cent. per annum, with the rate of taxation in the different counties added. And, from the present outlook, the managers of the bank expect to offer customers a return of from $7\frac{1}{2}$ to 8 per cent. income upon their money, free of all taxes, and on security which they claim to be as good as U. S. Bonds.

In making these loans they are made direct in the customer's name, the bank

*New York Savings Banks barely escaped a similar fate at the recent session of the Legislature. A bill to tax the deposits in these institutions was seriously considered by that body. When the bill was introduced, Mr. H. L. Lamb was the Acting Supt. of the Bank Department—of course he advocated the measure—some said he was the father of it, as it was in accord with his mal-administration of the office which he was endeavoring to fill. But the tax bill failed and so did Lamb. We must say, in all candor, that Lamb's record in the Bank Department justly entitles him to be remembered as the Dennis Kearney of New York, so far as the savings banks are concerned. He was a sort of guerilla agitator from first to last. Happily, his official career is now ended.

merely acting as the agent (but guaranteeing by agreement payment of both principal and interest), thereby saving one tax upon the money so invested, and when taxes range from $1\frac{1}{4}$ to 4 per cent., this is quite an item.

Term deposits, which constitute another feature of this novel institution, may be described as follows:

Deposits, in sums of not less than fifty dollars, for a term of not less than one year, for the withdrawal of which, notice in writing must be given at least six months in advance, constitute term deposits. All other interest bearing deposits are ordinary.

In case that a term depositor shall not come forward to receive the same within three days after the term of notice shall have expired, his deposit will be considered as an ordinary deposit from the expiration of such notice. If the Directors consent to its withdrawal, without the written notice of six months, such interest will be allowed as may be determined by the Board.

Dividends payable on deposits for a term, will be *one third more* than that payable on ordinary deposits.

The following statement, from the California Bank Commissioners' report recently issued, shows the condition of the Sacramento Bank Jan. 1, 1880.

ASSETS.

Real Estate by foreclosure.....	\$6,426 06
Loans on Real Estate.....	1,220,755 19
Money on hand.....	44,729 58
Deposits in other Banks.....	406,439 13
Total assets.....	\$1,678,349 96

LIABILITIES.

Capital paid in coin.....	\$50,000 00
Reserve fund (surplus).....	74,220 99
Due Depositors.....	1,482,074 46
Other Liabilities.....	1,769 35
Undivided earnings.....	70,285 16
Total Liabilities.....	\$1,678,349 96

Philadelphia National Banks.—The statement of the Philadelphia National Banks for the first week in June, shows the increase of deposits has risen to the highest figure ever known in their history, namely, nearly half a million, bringing the totals up to more than \$45,000,000—a figure that has never been reached before. There has also been \$31,050 paid into the capital of the Merchants' National Bank, which gives a further addition to the total in that column. The decrease in the amount due to and due from other banks balances it within \$125,000, and the decrease in the loans is quite sufficient to justify the very slight falling off in the reserve from the figures of the last week in May, when it was the largest ever known.

Business in California.—For the decline in business generally, and savings banks in particular in the State of California the "Alta" thus accounts: "As long as business was prosperous and enterprise active, there was a steady increase of deposits, but soon after Kearney began his pernicious agitation, building and grading were arrested, confidence was injured, and they began to withdraw their money from the banks, some to spend it in supporting themselves or their relatives, and others to take it to remote places or invest it in Federal bonds, in which latter form it is as inaccessible to the ordinary business of the State, as if it had been carried to the other side of the continent."

New York's agitator, in the savings bank line, has been laid on the shelf, and it will be a happy day for California when Kearneyism is as dead as Lamb-ism is in the Empire State.

The National Bank Note Circulation.

Statement of the Comptroller 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 June 1, 1880, and amount remaining on deposit at latter date.

STATES AND TERRITORIES.	Legal-Tender Notes Deposited to Retire Nat'l B'k Circulat'n since June 20, '74.				
	<i>Additio'n'l circulat'n iss'd since J'ne 20, '74</i>	<i>For re- dempt'n of notes liquidat'g banks.</i>	<i>To retire circulat'n und'r Act J'ne 20, '74</i>	<i>Total De- posits.</i>	<i>Leg'l t'd's on deposit with U. S. Treasurer at date.</i>
Maine.....	\$1,461,180	\$317,000	\$800,000	\$917,000	\$209,481
New Hampshire.....	631,865	72,997	55,800	128,797	35,180
Vermont.....	1,753,310	174,097	1,069,340	1,243,437	122,268
Massachusetts.....	20,498,720	234,800	7,562,300	7,787,100	1,822,018
Rhode Island.....	1,746,620	32,350	870,385	902,735	184,392
Connecticut.....	2,495,360	65,350	1,966,330	2,021,680	615,701
New York.....	20,764,505	2,163,878	23,952,231	26,116,109	6,108,502
New Jersey.....	1,712,135	241,660	1,562,280	1,803,940	394,251
Pennsylvania.....	10,805,140	1,231,426	6,784,321	8,065,747	1,603,779
Delaware.....	232,275	.....	.....	.....	.....
Maryland.....	1,274,810	166,600	1,646,380	1,812,980	35,585
District of Columbia.....	456,000	422,664	458,000	880,724	64,015
Virginia.....	800,500	915,869	907,510	1,822,879	288,431
West Virginia.....	168,310	731,060	819,185	1,060,245	164,080
North Carolina.....	1,235,660	128,200	1,012,565	1,140,785	164,429
South Carolina.....	90,700	.....	953,380	953,380	28,675
Georgia.....	520,350	287,725	437,675	725,400	87,580
Florida.....	45,000	.....	.....	.....	.....
Alabama.....	207,000	90,000	139,500	229,500	114,413
Mississippi.....	.....	.....	.....	.....	366
Louisiana.....	1,284,610	650,750	2,099,250	2,750,000	186,088
Texas.....	251,100	10,000	229,340	230,340	305
Arkansas.....	144,000	.....	144,000	144,000	1,400
Kentucky.....	3,685,430	629,867	1,504,933	1,444,800	414,100
Tennessee.....	647,170	370,401	533,859	904,290	184,761
Missouri.....	767,280	998,510	3,742,390	4,740,900	816,190
Ohio.....	2,809,660	1,583,754	3,077,887	4,661,641	1,013,791
Indiana.....	3,238,880	1,232,097	6,343,483	7,575,580	2,288,084
Illinois.....	2,542,365	1,754,934	6,447,946	8,202,880	993,628
Michigan.....	2,039,410	364,500	2,300,395	2,664,895	550,531
Wisconsin.....	735,530	653,860	1,013,439	1,667,299	449,297
Iowa.....	1,474,900	811,669	1,564,955	2,366,624	419,863
Minnesota.....	1,017,800	420,095	1,316,445	1,736,540	257,448
Kansas.....	147,600	781,721	190,550	972,271	244,111
Nebraska.....	67,500	45,000	233,080	278,080	49,425
Nevada.....	.....	.....	.....	.....	2,008
Colorado.....	482,400	138,083	149,400	287,483	25,847
Utah.....	134,900	161,191	196,800	357,991	18,612
Montana.....	84,600	85,300	45,000	130,300	45,208
Wyoming.....	3,800	.....	.....	.....	.....
Washington.....	135,000	.....	.....	.....	.....
Dakota.....	175,500	.....	.....	.....	.....
New Mexico.....	90,000	.....	.....	.....	.....
California.....	567,000	.....	.....	.....	.....
Legal tenders deposited prior to June 20, 1874.	.....	.....	.....	3,813,675	.....
Totals.....	\$89,425,785	\$18,016,908	\$81,400,414	\$103,230,997	\$19,521,723

JOHN JAY KNOX,
Comptroller of the Currency.

National Bank Statistics.

STATEMENT of the Comptroller of the Currency on June 1, 1880, showing the amounts of National Bank Notes and of Legal Tender Notes outstanding at the dates of the passage of the Acts of June 20, 1874, January 14, 1875, and May 31, 1878, together with the amounts outstanding at date, and the increase or decrease.

NATIONAL BANK NOTES.

Amount outstanding June 20, 1874.....	\$340,894,182
Amount outstanding January 14, 1875.....	351,861,450
Amount outstanding May 31, 1878.....	322,556,960
Amount outstanding at date*.....	343,836,243
Increase during the last month.....	256,943
Increase since June 1, 1879.....	15,763,432

LEGAL TENDER NOTES.

Amount outstanding June 20, 1874.....	\$382,000,000
Amount outstanding January 14, 1875.....	382,000,000
Amount retired under Act of January 14, 1875, to May 31, 1878.....	35,318,964
Amount outstanding on and since May 31, 1878.....	346,681,016
Amount on deposit with the Treasurer U. S. to redeem notes of insolvent and liquidating banks, and banks retiring circulation under Act of June 20, 1874.....	19,521,723
Increase in deposit during the last month.....	394,983
Increase in deposit since June, 1, 1879.....	6,568,561

*Circulation of National Gold Banks not included in the above....\$1,347,490

JOHN JAY KNOX,
Comptroller of the Currency.

Statement For the Month Ending May 31, 1880.

U. S. BONDS HELD AS SECURITY FOR NATIONAL BANKS.

U. S. bonds for circulation—deposited.....	\$3,107,600
U. S. bonds for circulation—withdrawn.....	3,398,200
Total held for circulation.....	362,715,050
Total held for deposits.....	14,727,000

LEGAL TENDER NOTES.

Deposited under Act of June 20, 1874.....	798,000
Total now on deposit in Treasury U. S., inc. notes of liquidating banks.....	19,521,723
Retired under Act of January 14, 1875.....	35,318,964
Total greenbacks outstanding.....	346,681,016

NATIONAL BANK NOTES.

Additional circulation issued.....	626,100
Circulation surrendered and retired.....	369,157
Total amount outstanding:	
Currency banks.....	343,836,243
Gold banks.....	1,347,490
Notes received for redemption from:	
New York.....	4,875,000
Boston.....	553,000
Philadelphia.....	373,000
Other places.....	1,948,000
Total.....	\$7,554,000

The Last National Bank Statement.

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE CURRENCY,
WASHINGTON, May 15, 1880. }

ABSTRACT of Reports made to the Comptroller of the Currency, showing the condition of the National Banks in the United States, including National Gold Banks, at the close of business on Friday, the 23d day of April, 1880.

RESOURCES.

Loans and discounts	\$969,562,200 98	
Overdrafts	3,378,622 12	
U. S. Bonds to secure circulation	361,274,650 00	
U. S. Bonds to secure deposits	14,727,000 00	
U. S. Bonds on hand	29,504,800 00	
Other stocks, bonds, and mortgages	42,494,927 73	
Due from approved reserve agents	103,968,002 37	
Due from other National Banks	54,498,003 27	
Due from State Banks and bankers	13,290,465 23	
Real estate, furniture, and fixtures	47,807,513 62	
Current expenses	7,008,097 66	
Premiums paid	3,791,703 33	
Checks and other cash items	9,857,411 34	
Exchanges for Clearing-House	99,357,056 41	
Bills of other National Banks	21,064,504 00	
Fractional currency	395,747 67	
Specie, viz: {		
Gold coin	\$59,599,468 92	
Gold Treasury Certificates	7,380,000 00	
Gold Clearing-House Certificates	33,533,000 00	
Silver coin	5,416,403 29	
Silver Treasury Certificates	495,860 00	
		86,429,732 21
Legal-tender notes		61,059,175 00
U. S. certificates of deposit for legal-tender notes		7,870,000 00
Five per cent. redemption fund with Treasurer		16,069,988 71
Due from Treasurer other than redemption fund		1,166,071 80
Aggregate		\$1,974,800,472 95

LIABILITIES.

Capital stock paid in	\$456,097,935 00	
Surplus fund	117,301,422 85	
Other undivided profits	48,219,183 47	
* National Bank notes issued	\$323,998,889 00	
Amount on hand	3,239,417 00	
		320,759,472 00
State Bank notes outstanding		299,790 00
Dividends unpaid		1,547,279 36
Individual deposits		791,555,059 63
U. S. deposits		7,925,988 37
Deposits of U. S. disbursing officers		3,220,606 64
Due to other National Banks		157,209,759 14
Due to State Banks and bankers		63,317,107 96
Notes and bills re-discounted		2,616,900 55
Bills Payable		4,529,967 98

Aggregate	\$1,974,800,472 95
No. of Banks, 2,075.	

JNO. JAY KNOX,

Comptroller of the Currency.

*The amount of circulation outstanding at the date named, as shown by the books of this office, was \$344,826,461; which amount includes the notes of insolvent banks, of those in voluntary liquidation, and of those which have deposited legal-tender notes under the act of June 20, 1874, for the purpose of retiring their circulation.

The National Debt Statement June 1.

The DEBT STATEMENT issued by the Treasury Department June 1, shows the decrease of the public debt during May to have been \$15,928,033.87.

The following is a recapitulation of the Statement:

INTEREST-BEARING DEBT.	
Bonds at 6 per cent.....	\$242,001,900 00
" 5 ".....	488,848,700 00
" 4½ ".....	250,000,000 00
" 4 ".....	739,434,700 00
Refunding certificates.....	1,413,100 00
Navy pension fund.....	14,000,000 00
Principal.....	\$1,735,698,400 00
Interest.....	18,904,187 41
DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.	
Principal.....	\$8,134,965 26
Interest.....	830,556 75
DEBT BEARING NO INTEREST.	
Old demand and legal-tender notes.....	\$346,742,046 00
Certificates of deposit.....	12,815,000 00
Fractional currency.....	15,592,984 87
Gold and silver certificates.....	20,274,370 00
Principal.....	\$395,424,350 37
Unclaimed Pacific Railroad interest.....	7,777 03
TOTAL DEBT.	
Principal.....	\$2,130,257,715 63
Interest.....	19,742,521 19
Total.....	\$2,150,000,236 82
Total cash in the Treasury.....	\$206,613,516 97
DEBT, LESS CASH IN THE TREASURY.	
June 1st, 1880.....	\$1,952,386,719 85
May 1st, 1880.....	1,968,314,753 71
Decrease of debt during month.....	\$15,928,033 87
Decrease of Debt since June 30, 1879.....	74,820,536 52
CURRENT LIABILITIES.	
Interest due and unpaid.....	\$2,800,785 00
Debt on which interest has ceased.....	8,131,965 26
Interest thereon.....	830,556 75
Gold and silver certificates.....	20,274,370 00
U. S. notes for redemption of certificates of deposit.....	12,815,000 00
Cash balance available.....	161,667,839 96
Total.....	\$206,613,516 97
AVAILABLE ASSETS.	
Cash in the Treasury.....	\$206,613,516 97
BONDS ISSUED THE PACIFIC RAILROAD COMPANIES, INTEREST PAYABLE IN LAWFUL MONEY.	
Principal outstanding.....	\$64,623,512
Interest accrued and not yet paid.....	1,615,587
Interest paid by United States.....	45,661,155
Interest repaid by transportation of mails, etc.....	13,684,815
By cash payments, 5 per cent. net earnings.....	655,198
Balance of interest paid by the United States.....	\$31,911,141

The payments made from the Treasury by warrants during the Month of May, were as follows :

On account of civil and miscellaneous	\$3,622,894
On account of war.....	1,968,312
On account of navy.....	1,095,474
On account of interior (Indians and pensions).....	844,195
Total.....	\$7,530,876

The above does not include payments made on account of the interest or principal of the public debt of the United States.

Trade Items.—A private dispatch received in New York City June the 8th announced the fact that there were 2,000 tons of Bessemer pig iron sold at \$19 per ton at the furnace. This is the lowest price ever known for this description of iron.

The estimated earnings of the consolidated Union Pacific Railway Company show an increase of \$544,000 for the month of May, over the earnings of the three individual roads (now forming the consolidated line) during the same time last year, a gain of 35 per cent. The officers of the company make an estimate of the increase brought by new branches, and deducting this, the roads show an increase of \$327,000 for the month, or a gain of 21 per cent.

The Baltimore & Ohio Railroad Company owes the City of Baltimore \$5,000,000, payable in 1890, and bearing 6 per cent. interest, with a provision for a sinking fund to be invested in city bonds. As these bonds are not now obtainable at less than 116, the railroad company proposes to suspend the purchase of them and pay its debt only at its maturity in 1890. The amount it would thus save is estimated at \$400,000.

The entire output of iron ores of the upper peninsula of Michigan for the year 1879 was 1,415,182 gross tons, with an estimated value of \$3,423,530 50. The pig metal output amounted to 39,583 gross tons, with an estimated value of \$989,575. Nearly all the mines are in a position to enlarge their product this year, and as the demand is likely to be without limit, it is evident that the output will be largely increased. While the product of last year was larger by 256,803 tons than the year 1873, the value of the product in 1873 was larger by nearly \$4,000,000, the price during that year being very much larger. The prospects are, however, that the total value of the output this year will be greatly increased.

RECENT REMOVALS AND OTHER CHANGES IN NEW YORK CITY.—

Produce Bank ; removed to 59 Barclay street ; A. J. Post elected President, in place of J. F. Satterthwaite.

Blake Brothers & Co. ; removed to 18 Wall street.

Chase & Atkins ; dissolved ; now Kissam, Whitney & Co.

Hess Brothers & Co. ; removed to 100 Broadway.

A. M. Kidder & Co. ; removed to 18 Wall street.

Kountze Brothers ; removed to 120 Broadway.

Laidlaw & Co. ; removed to 18 Wall street.

George Opdyke & Co. ; removed to 12 Pine street.

C. J. Osborn & Co. ; A. King admitted.

Sand, Hamilton & Co. ; now Sand Bros. & Co.

Wood & Davis ; new firm, same style.

A complete list of bank changes, new banks, &c., in the various sections of the country, will be found on the following pages.

For convenience in reference, the list is arranged by States, in alphabetical order.

Bank Changes, New Banks, Etc.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National Banks organized since our last report:

2476—First National Bank of Fort Benton, Montana. Authorized capital, \$50,000.

Paid-in capital, \$50,000. William G. Conrad, President; Edgar G. MacLay, Cashier.

2477—First National Bank of Weatherford, Texas. Authorized capital, \$50,000. Paid-

in capital \$40,000. Sam H. Milliken, President; C. H. Milliken, Cashier.

2478—First National Bank of Reno, Nevada. Authorized capital, \$50,000. Paid-in

capital, \$50,000. D. A. Bender, President; Chas. T. Bender, Cashier.

2479—Second National Bank of Warren, Ohio. Authorized capital, \$100,000. Paid-in

capital, \$58,523.72. D. J. Adams, President; K. M. Fitch, Cashier.

2480—People's National Bank of Bellefontaine, Ohio. Authorized capital, \$100,000.

Paid-in capital, \$50,000. Abner Riddle, President; Robert Lamb, Cashier.

ARIZONA.—*New:* Pima County Bank, Tombstone (Branch.)

ARKANSAS.—*New:* Bank of Texarkana (W. H. Hakes), Texarkana.

CALIFORNIA.—*New:* Fairchild & Huse, San Diego.

Dissolved: Commercial Bank, San Diego; in liquidation.

COLORADO.—*New:* H. Schiffer & Co., Del Norte.

Bank of Gunnison, Gunnison.

Bank of Rico, Rico; A. Krille, President; Eugene B. Cushing, Cashier.

The Bank of Silverton (Thatcher Brothers), Silverton; John H. Maugham, Manager; Hugh J. Alexander, Cashier.

San Juan County Bank (Heffron & Johnson), Silverton.

Change in Officers: First National Bank, Boulder; W. H. Thompson Vice-President.

DAKOTA.—*New:* Valley City Bank (Herbert Root), Valley City.

FLORIDA.—*New:* H. F. Dutton & Co., Gainesville.

ILLINOIS.—*Change of Title:* Benedict, Berkstresser & Co., Buda; now J. Berkstresser & Son.

Reeve, Philips & Co., Walnut; succeeded by Walnut Bank, (Ferris & Knight)

Higgins & Dyson (Farmers' Bank of Woodhull), Woodhull; succeeded by Howell, Woods & Co.

Change in Officers: Mattoon National Bank, Mattoon; Jonathan Richmond, President, in place J. H. Clark.

Second National Bank, Peoria; Chas. P. King, President, in place of L. Howells.

INDIANA.—*New:* Bank of Fowler (Baldwin & Spencer), Fowler; W. H. Dague, Cashier.

Discontinued: C. J. Gilbert, Fremont; not in banking business now.

Citizens' National Bank, Indianapolis: Geo. W. Johnston, Acting Cashier.

IOWA.—*New:* Greeley & Rainbolt, Ames.

Bank of Lewis (L. O. Reinig), Lewis.

Marengo Savings Bank, Marengo; N. B. Holbrook, President; J. B. Haddock, Cashier.

Otis Briggs, Nevada.

Change of Title: McBane, Grant & Co., Fort Dodge; now William M. Grant.

Walter Dunning & Co., Mount Ayr; succeeded by J. F. Merrill & Co.

Change in Officers: Cass County Bank, Atlantic; John B. Gerberich, Cashier in place of W. Waddell.

Benton County Bank, Blairstown; Robert Sloe, President, in place of J. K. Williams, deceased; Samuel Rickert, Vice-President.

KANSAS.—*New:* Bank of Burr Oak (Spears Brothers), Burr Oak.

Bank of Clyde (C. C. Minton), Clyde.

Bank of Lindsborg (W. S. Birch), Lindsborg.

Case, Bishop & Co., Mankato.

Marley & Marley, Oswego.

S. G. Bigelow, Jr., Paola.

Discontinued: J. S. Maury & Co., Clyde; not in banking business now.

Change of Title: Case, Vance & Co., Jewell Centre; now Case, Bishop & Co.; Post Office changed to Mankato.

KENTUCKY.—*New:* Citizens' Bank, Midway.

L. M. Longshaw, Princeton.

Change of Post Office: Caverna, Hart County; name now Horse Cave.

Change in Officers: First National Bank, Newport; H. Gunkel, President, in place of W. Robson.

LOUISIANA.—*New:* W. B. Merchant, New Orleans.

MARYLAND.—*Change in Officers:* National Exchange Bank, Baltimore; Wm. T. Dixon, President, in place of J. Hurst.

Western National Bank, Baltimore; Joshua G. Harvey, President, in place of C. Brooks.

MASSACHUSETTS.—*Change in Officers:* Neponset National Bank, Canton; N. W. Dunbar, Cashier, in place of F. W. Deane.

First National Bank, Fall River; Charles E. Hendrickson, Cashier, in place of H. A. Brayton.

MICHIGAN.—*New:* Wilsey & McPhail, Cass City.

Dissolved: Ball, Barton & Co., Alma.

Bratshaw, Black & Co., Detroit.

Change in Officers: Merchants' National Bank, East Saginaw; Henry C. Potter, President, in place of J. Hoyt.

First National Bank, Marquette; Peter White, President, in place of C. H. Call.

National Bank of Michigan, Marshall; Charles E. Gill, Cashier, in place of W. Powell.

First National Bank, Sturgis; Nelson I. Packard, President, in place of W. Allman; Bracey Toby, Vice-President, in place of N. I. Packard.

MINNESOTA.—*New:* Renville County Bank, Bird Island; W. Donahue, President; T. M. Paine, Cashier.

Greening & Warren, Grand Meadow.

Bank of St. Vincent, St. Vincent; Edward L. Baker, President; John H. Rich, Cashier.

Change in Officers: First National Bank, St. Paul; H. P. Upham, President, in place of H. Thompson; Charles G. Gilfillan, Vice-President, in place of L. E. Reed; E. H. Bailey, Cashier, in place of H. P. Upham.

MISSISSIPPI.—*Change in Officers:* Bank of Oxford, Oxford; B. Price, Cashier, in place of W. A. West.

MISSOURI.—*New*: Commercial Bank, Burlington Junction; John H. Ware Sr., President; John H. Ware Jr., Cashier.

Wm. C. Little & Co., St. Louis.

A. L. Tomblin, Stanberry.

Corder Savings Bank, Waverly; Wm. J. Catron, President; H. J. Galbraith, Cashier.

Change of Title: Commercial Bank, Louisiana; now Mercantile Bank.

Rocheport Bank, Rocheport; now Wm. S. Woods & Co.

Change in Officers: Hermann Savings Bank, Hermann; Robert Robyn, Cashier, in place of P. Weber, deceased.

Armour Brothers Banking Co., Kansas City; W. H. Winants, Acting Cashier, in place of C. H. Prescott.

NEBRASKA.—*New*: Blue Springs Bank, Blue Springs; John E. Smith, President; Joel C. Williams, Cashier.

A. Henry, Columbus.

Richardson County Bank, Falls City; B. L. Harding, President; G. W. Holland, Cashier.

S. C. Langworthy & Co., Osceola.

Johnson, Parry & Co., Seward.

Burt County Bank (J. P. Latta), Tekamah.

NEW JERSEY.—*Change in Officers*: Amwell National Bank, Lambertville; John A. Anderson, President, in place of S. Lilly.

NEW YORK.—*New*: The Robert Gere Bank, Syracuse; J. J. Belden, President; F. W. Barker, Cashier.

Change in Officers: Merchants National Bank of Albany; J. W. Tillinghast, President, in place of R. Van Rensselaer; N. D. Wendell, Vice-President; J. I. Wendell, Cashier, in place of N. D. Wendell.

First National Bank, Owego; Orin Truman, Cashier, in place of J. B. Brush.

OHIO.—*New*: Lake, Thayer & Smith, Conneaut.

Commercial Bank, Millersburg.

Prospect Bank (Wm. Henry Mohr), Prospect.

Change of Title: Ohio City Bank, Martin's Ferry; now Exchange Bank; same officers.

Change in Officers: Commercial Bank, Columbus; W. H. Alberty, Cashier, in place of J. A. Jeffrey.

Wayne County National Bank, Wooster; Jacob Frick, President, in place of E. M. Quluby.

PENNSYLVANIA.—*New*: Schall, Danner & Sperry, York.

Dissolved: First National Bank, Mifflinburg; closed; officers now connected with Commercial National Bank, Reading.

SOUTH CAROLINA.—*New*: Dargan & Hewitt, Darlington C. H.

TEXAS.—*Change of Title*: Samuel H. Milliken, Weatherford, succeeded by First National Bank.

VERMONT.—*Change in Officers*: First National Bank, Montpelier; J. C. Houghton, Cashier, in place of J. C. Houghton, Jr.

National Bank of Vergennes, Vergennes; Andrew Ross, Cashier, in place of D. H. Lewis; C. H. Strong, Asst. Cashier.

WISCONSIN.—*New*: Bank of Edgerton, Edgerton; Silas Hurd, President; Thomas Huston, Cashier.

Bank of Lindon, Lindon; J. W. Taylor, President; Joseph Osborne, Cashier.

RHODES' JOURNAL RECORD OF DEATHS.

GEORGE OPDYKE, head of the well-known banking firm of Geo. Opdyke & Co., New York, ex-Mayor of the city, and a highly respected citizen, died on Saturday, June 12, 1880, at the advanced age of seventy-five years.

The Opdykes, or Opdycks, as the name was spelt in colonial times, were Knickerbockers, and settled in New Jersey about the year 1600. George Opdyke was one of nine children, and was born in 1805, at Kingwood, Hunterdon County, N. J. He began life on the farm, but at sixteen years of age became a school teacher in the district. His next step was to embark his savings in trade in Cleveland, Ohio, then a growing little town. Business prospered, and in 1830 he went South and established himself in New Orleans, which he left in 1832 at the age of twenty-eight years, to come to New York, with which city he has since been conspicuously connected.

In 1868 he founded the well-known banking firm of *George Opdyke & Co. Though in no sense a politician, he never neglected those political duties which belong to good-citizenship. In 1858 he was elected to the New York State Senate, serving with so much credit to himself and profit to New York City, that in 1861 he was elected Mayor. His services and energy in suppressing the riot of July, 1863, are still vivid in the minds of many of our citizens.

During the last forty years scarcely any movement affecting the welfare of New York City has failed to receive his generous aid and wise counsel. Of late years questions of finance have greatly occupied his attention, and at one time his name was prominently mentioned in connection with the Secretaryship of the Treasury. He was one of the rare men who, without college training, and absorbed in important business affairs, find time to study all the important questions affecting the welfare of the country.

A model of energy and integrity in business, progressive and public-spirited, always kind and considerate to all with whom he came in contact, the record of his life is worthy the emulation of young men desirous of making their mark in the world.

RICHARD F. SMYTHE, for fifteen years a Director of the Allegheny National Bank of Pittsburgh, Pa., died at his residence, near Mansfield, Pa., on Thursday, June 3d, 1880.

Mr. Smythe was a member of the highly respectable firm, Messrs. Chess, Smythe & Co., of Mansfield, and he sustained an enviable reputation as a man of large enterprise and public spirit.

(Continued on next page.)

*In addition to the head and founder of the house, the firm was latterly composed of his sons, George F. and Charles W., his son-in-law, Geo. W. Farlee, and Edward M. F. Miller. The business will go on without interruption.

STILES D. SPERRY, Treasurer of the State Savings Bank of Hartford, Connecticut, died suddenly of heart disease on Saturday, May 8, 1880.

Mr. Sperry was one of the foremost Savings Bank officers in the State, and his loss is felt by a large circle of friends in both business and social life.

DE WITT PARSHALL, President of the Lyons National Bank of Lyons, New York, died suddenly at his home in that town on May 12, in his sixty-eighth year.

His home newspaper, the Lyons "Republican," sketches his character in more fitting words than we can write, and we gladly place the tribute on record:

"Few men have presented a better example of strict personal attention to business—meeting every obligation with promptitude and filling every engagement with punctuality—though never becoming so engrossed by business as to forget the claims of society and humanity. Having worked his way from poverty to wealth, by his own exertions, he had alwas a kindly word and a helping hand for young men who were struggling upward through the same difficulties which he had himself surmounted; and good counsel, friendly encouragement, and efficient aid were cheerfully rendered to such as claimed and deserved them. Those who knew him best and shared his companionship could best appreciate his many excellent qualities; and in his death they feel that they have lost a genial, affectionate, sincere friend and companion."

CALEB BARSTOW, formerly President of the St. Nicholas Bank of this city, died at his residence in Brooklyn, May 20, 1880, in the eighty-sixth year of his age.

Mr. Barstow was for many years a leading merchant of this city, and took an active part in shaping legislation to protect the mercantile interests of New York. He was the oldest surviving member of the Chamber of Commerce, except one, and was for ten years Chairman of the Finance Committee of that body. He was charitable to a large degree; in fact, to his great benevolence and kindness to friends is due the fact that he became financially embarrassed in his old age, and finally lost nearly all the property which he had acquired by weary years of a business life which was never sullied by even a suspicion of his honor.

WILLIAM BUCK, President of the Poland National Bank, Poland, New York, died May 19, 1880, in his seventy-third year.

Mr. Buck was born in Worthington, Hampshire County, Mass., and at the age of nineteen he removed to Herkimer Co. New York, where the remainder of his life has been spent. He has been a very enterprising and successful farmer, and of late years his attention has been devoted to financial interests. He was instrumental in the establishment of the Bank of Poland, which was organized in 1872, of which he was made President, and when the Bank of Poland was organized into a National Bank he again accepted the position as President, the duty of which he has discharged with success and fidelity.

THE BANKER'S INDEX.

The Money Market and Financial Situation.

New York, June 10, 1880.

The position of the money market remains generally quiet. The political agony at Chicago is over, and when the siege of Cincinnati is raised, the bankers, merchants, and sober thinkers of the country will weigh the various candidates in the balance, and in the light of past events see what promise of business advancement may be hoped for, with a new helmsman to guide us during the next four years. We believe in political parties—the good accomplished through them quite overbalances the bad—but at this critical juncture in the prosperity of the whole country, it is very desirable that the best man shall win, independent of party affiliation.

In recording the quiet condition of the money market, it should be said that the May settlements at this centre, consequent on the notable decline, both at the Stock Exchange and in the merchandise market, have passed over without any excitement, and only one or two minor failures, excepting the failures precipitated by the drop in iron. This is a creditable showing. The possible effect of the collapse of the Philadelphia and Reading Railway had been, as is not unusual at such times, over-estimated; and also, as not unfrequently happens, such complete preparation had been made unconsciously, that on the day of settlement itself, little over the common run of business occurred.

There is a hopeful outlook in every department of trade and general products. During the latter part of May very hot weather and want of rain, produced some uneasiness, but the first week in June brought cooler weather and generous rains. In the produce and general supply market, prices may be taken to have reached the bottom, and a healthier business may hence be expected, though for the present, low prices do not appear to have produced any increased demand. It is quite probable that the Summer may have to pass over before any marked activity in this branch of trade appears. Transactions at present are chiefly confined to small lines of goods to meet the immediate wants of consumers; but the outlook was never more encouraging, as advices from the West in reference to the crops indicate that the forthcoming product of grain will be large beyond all precedent in the history of our country. Of course it is possible that storms or blight may more or less affect the present outlook, but it is gratifying that the indications point to a full harvest of the great cereal crops.

It is worth noting the manner in which in this country the traffic on the main lines of railway holds up. This shows that the main body of the trade of the country continues sound, a point also made obvious by the comparatively small number of failures which have followed on the drop of prices in the produce and metal market. Had this drop occurred in an unhealthy or speculative condition of trade, a very different result would have been shown.

The New York Bank statements during the month show a large gain in specie and legal tenders and a considerable decrease in loans and discounts. This furnishes an exact reflex of the business condition and demands of the country. Would it not be well for the Greenback—"Labor"—Kearney Combination, now holding forth in Chicago, to study these figures before disporting themselves before the people on a platform which denounces national banks and the Chinese Treaty, and favors the unrestricted coinage of silver!

The following table, compiled from the "Public" (which makes a special feature of reporting the exchanges), furnishes a statement of the exchanges at the various moneyed centres of the country, for the first week in the present month.

The following shows the amount of exchanges at each city for the week ending May 29, at San Francisco, and June 5th at other cities.

	1880.	1879.	Per cent.
New York.....	\$639,336.132	\$472,828.089	+ 35.3
Boston.....	56,670.704	51,329.061	+ 10.4
Philadelphia.....	47,734.735	46,780.677	+ 2.0
Chicago.....	40,247.881	30,640.999	+ 31.4
St. Louis.....	13,227.796	10,009.193	+ 32.2
Baltimore.....	13,056.761	10,095.186	+ 29.4
Cincinnati.....	12,757.800	11,042.155	+ 15.5
San Francisco.....	9,427.253	11,753.752	+ 19.8
Milwaukee.....	7,726.239	7,234.273	+ 6.8
New Orleans.....	7,248.416	5,990.272	+ 21.6
Louisville.....	6,227.878	6,090.597	+ 2.2
Pittsburg.....	5,825.078	4,053.006	+ 43.7
Providence.....	4,106.700	2,866.100	+ 43.5
Kansas City.....	1,978.800	1,292.600	+ 53.1
Cleveland.....	1,699.698	1,412.061	+ 20.4
Indianapolis.....	1,589.225	1,134.528	+ 40.1
New Haven.....	910.012	705.442	+ 27.0
Syracuse.....	356.833	333.382	+ 7.0
Lowell.....	332.834	319.794	+ 4.1
Total.....	\$864,480.845	\$675,881.157	+ 27.9
Outside New York.....	225,124.713	203,053.068	+ 10.9

The following statistical *summary on or about June 1, for the years 1878, 1879, and 1880, is interesting by way of comparison.

	1880.	1879.	1878.
NEW YORK CITY BANKS—			
Loans and discounts.....	\$273,216.400	\$257,272.800	\$234,049.400
Specie.....	59,271.700	18,785.400	17,001.200
Circulation.....	20,238.100	19,889.400	19,941.000
Net deposits.....	262,762.600	225,754.000	199,867.900
Legal tenders.....	22,547.400	41,791.400	47,248.000
Surplus reserve (over 25 %).....	16,128.450	4,038.300	14,232.225
MONEY, GOLD, EXCHANGE—			
Call loans.....	3 @4	3 @5	2 @4
Prime paper.....	4½ @5	4 @5	3¼ @4½
Gold.....	100	100	101
Silver in London per oz.....	52 3-16d	52¼d	53 5-16d
Prime Sterling bills.....	4 87	4 87¼-4 88¼	4 83¼-4 84¼

The following table shows the total sales of each class of Government bonds at the New York Stock Exchange for the five weeks ending June 4, and the closing prices* on the dates named:

	Interest Periods.	Total Sales.	May 6.	May 13.	May 20.	May 27.	June 4.
6s, 1880, reg.....	J. & J.	\$83,000	104¼	104½	104½	104	101½
6s, 1880, coup.....	J. & J.	18,500	104¼	104½	104½	104	104½
6s, 1881, reg.....	J. & J.	229,500	106¼	106½	106½	106¼	106½
6s, 1881, coup.....	J. & J.	138,000	108¼	108½	108½	108¼	108½
5s, 1881, reg.....	Q.—Feb.	1,018,000	102¾	102¾	103¼	102¾	103¼
5s, 1881, coup.....	Q.—Feb.	874,000	102¾	102¾	103¼	102¾	103¼
4½s, 1891, reg.....	Q.—Mar.	68,000	107½	107¾	108½	109½	108½
4½s, 1891, coup.....	Q.—Mar.	127,000	108½	109¼	109¼	110½	109¼
4s, 1907, reg.....	Q.—Jan.	563,950	107½	107½	107½	108¼	108½
4s, 1907, coup.....	Q.—Jan.	771,500	107½	107½	107½	108¼	108¼
6s, currency, 1895, reg.....	J. & J.	.....	126	126	126	126	123½
6s, currency, 1896, reg.....	J. & J.	10,000	126	126	126	126	123½
6s, currency, 1897, reg.....	J. & J.	.....	126	126	126	126	124¼
6s, currency, 1898, reg.....	J. & J.	.....	126	126	126¼	127	125
6s, currency, 1899, reg.....	J. & J.	.....	126	126	127	128	126

* The prices bid are given; these furnish the most reliable quotations of sales at the Board.

*From our valued exchange the "Commercial and Financial Chronicle" of June 5, 1880.

The annexed table shows the leading bonds dealt in, range of prices and the amount of recorded transactions for the month just closed.

	Highest.	Lowest.	Closing. May 29.	Amount Sold.
Cent of N. J. con. ass'd....	105	90	100	\$518,000
Lehigh & Wilkes con. ass'd....	98½	84½	94	533,000
Morris & Essex 1st consol....	111	100½	....	124,000
Rome W. and Ogd. 1sts	65½	54	57	519,000
St. Paul sinking fund	111	110	....	307,000
H. and St. Jo. conv. 8s.	107	103	....	73,500
N. Y. C. 1sts coup.	127½	123½	....	41,000
Canada South. 1sts.	90½	88	89½	612,000
Toledo and Wabash C. C.	101½	93	96	218,000
Gen Pacific 1sts	113	112½	....	48,000
Tex. do income	67½	56	....	603,000
Union do 1sts.	113½	112	113½	267,000
Kansas do do con.	93½	88	90	151,000
do do D. D. A. C. C.	108	102½	102½	151,000
Den. & Rio Grande 1sts	106½	99½	....	236,000
Mo. Kan and Texas 1sts con. ass'd	102½	99½	101½	1,452,000
do do 2ds	82	51½	55	3,742,000
Erie new con. 2ds	82½	82½	84½	21,749,000
do do 5s funded.	86½	74½	77	828,500
do do con. 7s.	119½	118½	118½	498,000
C. C. & I. C income	85	29	33	374,100
do 1sts T. C. C. A. supplem'y. . . .	81½	78½	81	608,000
I. Mountain 2d pref. income.	74	65½	69½	676,000
do 1st do do	83	75	78	228,640
do 2ds.	103½	97	....	231,000
C. & Ohio Currency 6s.	40½	34	....	244,900
do do 1sts series B.	67½	56½	64	963,500
N. Y. Elevated 1sts	112½	110½	112½	126,000
Met. do do	101½	100½	101½	166,000
Bost. Hart. & E. do	55½	35½	36½	3,139,000
Oregon 1sts	94	91½	....	274,800
Mobile & Ohio 1st deb.	74	67½	....	309,100
do 2d deb.	40	36	....	42,000
Bur. C. R. and Northern 1sts	82	90½	91½	298,000
Lake Erie & W. income	65½	55	....	84,000
Ohio Central income.	49½	45	....	84,000
do 1sts.	91	89½	89	52,000

Additional quotations of railroad bonds at New York and other principal cities appear in the general list of Stock and Bond Quotations, printed on the pages at the close of this department.

STATE BONDS.—Recorded sales and range of prices for the month were as follows:

	Highest.	Lowest.	Sales.
Ala. Class A	60½	57½	\$35,000
do do C	87	87	3,000
Georgia 6s.	100	100	22,000
La. 7s, Cons.	47½	43	106,500
Mo. 6s, '82 or '83	84	84	1,000
do, '86	107½	107½	2,000
do '87	108	107½	10,000
do '88	108	108	2,000
do '89 or '90	108½	108½	2,000
N. C. 6s fund. Act '66.	10½	10½	2,000
do. do. '68	10½	10½	5,000
do. do. '87	11	11	1,000
do do spec'l tax class 3.	4½	3½	36,000
Ohio 6s, '81	108	108	5,000
do, '86	111½	111½	15,500
S. C. 6s, non-fundable.	4	2½	307,000
Tenn. 6s old	36	34	47,000
do new bonds	29½	27½	13,000
do new series	29	27½	6,000
Va. 6s, old	22	22	1,500
do 6s deferred.	8	7	51,000
do con. x mat'd o.	56	56	10,000
D of C. 3-65s 1824	95½	94	159,700
do do Reg	95½	94½	43,000

Additional quotations of State bonds are published on another page.

Railroad and Miscellaneous Stocks in May.

The following table shows the number of shares sold, and the lowest, highest and closing prices of the active Railway and Miscellaneous Stocks at the New York Stock Exchange during May; and, for comparison, the closing prices April 30:

RAILROADS.	Closing	Range in		Closing	Shares
	April 30.	Low- est.	High- est.	May 29.	
Can. Southern.....	62½	50	67½	52½	154,496
C., C. & Ind.....	76	61	76½	64½	28,733
C., C. & I. C.....	18½	9½	14	11½	25,978
Che. & Ohio.....	20½	15	20½	15	17,316
C., St. P. & Minn.....	44½	44½	57	.....	7,750
Northwestern.....	93½	87½	96½	89½	320,567
do. pref.....	105½	105½	109½	107½	11,264
Mil. & St. Paul.....	77½	66½	78	66½	607,412
do. pref.....	102½	99	102½	100	10,273
Del. Lack. & West.....	86½	66½	87	73½	1,722,025
Del. & Hud. C. Co.....	80½	60	80½	67½	132,603
Houston & Texas.....	.....	50	67	54	9,016
Hannibal & St. Jo.....	33½	22½	34	25	53,675
do. pref.....	72½	63½	72½	67½	67,250
Illinois Central.....	105½	100½	105½	102	11,205
Lake Erie & Western.....	81½	20½	32½	22½	22,225
Louisville & Nashville.....	133	120	133	120½	19,765
Lake Shore.....	107½	97	107½	97½	871,141
Manhattan R.R.....	.....	24	31	27½	37,585
Metropolitan Elevated.....	.....	92	97	94	6,969
Michigan Central.....	89½	75	90½	78	116,475
Mobile & Ohio.....	.....	12	19	13	7,047
Mo., Kan. & Texas.....	35½	28	35½	29	238,030
Nash., Chat. & St. L.....	72½	52	75	.....	55,680
N. J. Central.....	76½	45	77½	56½	730,375
N. Y. Central.....	130½	122	131	124½	151,204
N. Y., L. E. & W.....	43½	30½	43½	32½	1,530,679
do. pref.....	.....	47	65½	51½	35,115
Northern Pacific.....	27½	20	28	23½	47,420
do. pref.....	52	39½	52½	45½	79,789
N. Y., Ont. & W.....	29½	25	29½	26½	116,253
Ohio & Mississipp.....	24½	23	35½	25½	210,472
do. pref.....	76	66	76½	70½	11,390
Phila. & Reading R. R.....	60½	17½	61½	21½	457,150
St. Paul & Sioux City.....	.....	35	43½	36	9,561
St. L., I. M. & S.....	50½	34½	50½	37½	171,387
Union Pacific.....	87½	80	87½	84½	62,982
W., St. L. & Pacific.....	39½	26½	39½	30	155,568
do. pref.....	67½	51½	67½	56½	260,565
Am. Dist. Tel.....	77½	75½	81	75	33,900
At. & Pac. Tel.....	43½	34	43½	35½	18,650
Western Union Tel.....	106½	89½	106½	90½	475,299
Pacific Mail.....	40½	27½	41½	31½	397,600
Climax Mining.....	2½	2½	2½	2½	8,590
Little Pittsburgh.....	6½	6	9	6	15,669
Standard Mining.....	28½	25½	29	27	13,376
Sutro Tunnel.....	1½	1½	2½	2½	98,075

FOREIGN EXCHANGE ruled firmly throughout, and bankers' posted rates were advanced to 4 87 for 60-days' bills and 4 90 for demand, at which figures they were held till the close of the month. The same rates prevail at this writing.

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 June 3, 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	SECURITIES.	Bid.	Askd
STATE STOCK.			SECURITIES.		
Alabama 5s, 1883.....			N. C. new bonds, April & Oct..	17½	18½
do 5s, 1888.....			do special tax, class 1.....	3½	3½
do 8s, 1888.....			do do class 2.....	3½	4½
do 8s, 1888.....			do do class 3.....	3½	4½
do 8s M & Bufala R.R.....			Ohio 6s, 1881.....	103	
do 8s Ala & Chat R.R.....			do 1886.....	112	
do 8s of 1882.....			Rhode Island 6s.....	115	
do 8s of 1883.....			South Carolina 6s.....		
do consols class A.....	57½	60	do Jan & July.....		
do do do B.....	80		do April & Oct.....		
do do do C.....	87		do funding act 1886.....		
Arkansas 6s funded.....	13		do land C 1889 Jan & J.....		
do 7s L Rk & Ft S iss.....	5		do land C 1889 Apr & O.....		
do 7s Memp & L R.....	5		do 7s of 1888.....		
do 7s L Rk P B & N O.....	5	9	Non-fundable bonds.....	2½	4½
do 7s Miss O & R Riv.....	5		Tennessee 6s, old.....	36	37
do 7s Ark Cent R.R.....	5	10	do 6s, new.....	25	28
Connecticut 6s.....	106		do do new series.....	25	30
Georgia 6s.....	102		Virginia 6s, old.....	23	26
do 7s new bonds.....	110		do 6s, new bonds, 1886.....	23	
do 7s endorsed.....	109½	113	do 6s, do 1887.....	23	
do 7s gold bonds.....	110½		do 6s, consol. bonds.....	85	
Illinois coupon 6s, 1879.....	102		do 6s, ex-mat'd coup.....	58½	
do war loan.....	102		do 6s, do 2d series.....	24	
Kentucky 6s.....	102		do 6s, defer'd do.....	6½	8
Louisiana 6s.....			Dist. of Col. 3-65's 1924.....	96	97
do new bonds.....			do Small Bonds		
do 6s new floating debt.....			do Registered.....	96	97
do 7s penitentiary.....			CITY AND COUNTY.		
do 6s levee bonds.....			Brooklyn 6s.....		
do 8s.....			do 6s, water loan.....		
do 8s do of 1875.....			do 6s, imp'm't stock.....		
do 8s do of 1910.....			do 7s, do.....		
do 7s Consolidated.....	45½	47½	do 6s, pub, p'h loan.....		
do 7s Small Bonds.....	43		do 7s, do do loan.....		
Michigan 6s 1878-1879.....			Jersey City 6s, water loan.....		
do 6s, 1883.....			do 7s, do.....		
do 7s, 1890.....			do 7s, improvement.....		
Missouri 6s due in.....	1883	102½	Kings county 6s.....		
do do in.....	1886	107½	New York City 6s, 20-50's, 1876.....		
do do.....	1887	107½	do do 6s, 1877.....		
do do.....	1888	109	do do 6s, 1878.....		
do do in 1889 or 1890.....	1888	109½	do do 6s, 1887.....		
Asyl or Univ's'y due 1892.....	110		do do G'd 6s, Con. 1902.....		
Fund'g bds due in 1894-5.....	111		do do 6s, ..1896.....		
Han & St. Jos. due 1886.....	107		do do 6s Dock b'ds.....		
do do.....	1887		do do 6s co. b'ds.....		
New York 6s gold reg'd, 1887.....	107		do do 6s Cen. Park.....		
do 6s do coup, 1887.....	107		do 5s, ..1890.....		
do 6s do loan, 1883.....	106		do 5s, ..1898.....		
do 6s do do 1881.....	117		RAILROAD BONDS.		
do 6s do do 1882.....	118		Boston, H. & E. 1st m.....	35½	36
do 6s do do 1883.....	119		Boston, H. & E. 1st m guar.....	36½	37½
N Carolina 6s old Jan & July.....	28½	30	B. Cedar Rap. & N. Is 5s g.....	64	64½
do do Apr & Oct.....	28½	30	Chesapeake & Ohio 6s 1st mtg.....		
do N. C. R., Jan & July.....	110		do do ex-coupon.....		
do do Apr & Oct.....	110		Chicago & Alton 1st mortgage.....	120	
do do cp off Jan & Oct.....	90		do do income.....		
do do cp off Apr & Oct.....	10	11	Joliet & Chicago 1st mortgage.....	108	109
do funding act, 1866.....	10	11	La. & Mo., 1st guaranteed.....	113	114½
do do 1868.....	10	11	St. L. Jacksonville & Chic 1st.....	112	
do new bonds Jan & July.....	17½	18½	Chic. Bur. & Qu. 8 per ct. 1st m.....	110	

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd	SECURITIES.	Bid	Askd
Chic. Bur. & Qu. cons. M 7s	122	122½	RAILROAD BONDS.		
do do 5s Sinking Fund			M. So & N. I. Sink. fd 7	107	108
Chic. R. I. & Pacific			Cleve. & Tol. sink. fd	114	116
do do 6s 1917. coupon	117½	117¾	Cleve. & Tol. new bonds	106	
do do 6s 1917. registered	116¾	118	Cleve. Painesv & A bonds 7s.	113	
Keokuk & Des Moines 1st 5s.	96	97	do do new do		
Central R R of New Jersey			Buff. & Erie, new bonds	116	
Cent. R of N. J. 1st 7s. 90	115¾	116	Buff. and State Line 7s.		
do do cons. assent.	99¾		Kala. & W. Pigeon 1st m.		113
do do convertible	98	100	Det. Mon & Tol 1st 7s 1906	114	116
L. & W. B'e. con. assented	90	91	Lake Shore div. bonds	115	
Am' Dock & Imp. bonds as'd	100		do con c'p 1st 7s.	122	123
Chic. Mil. & St. Paul R. R			do con reg 1st bds.	120¼	122
M. & St. P. 1st mtg 8s P. D.	129¼		do con coup 2d 7s.	117	118¼
do do 2d 7 3-10 P. D.	115		do con reg'd 2d m.	115	115
do do 1st 7s & gold R. D	113	115	Marietta & Cin. 1st m.	100	108
do do 1st 7s & do	112¾	113	Mich. Cent. consol. 7s 1902	117	117½
do do 1st M. LaC. D.	112	113½	do do 1st m. 8s '82 s f	98	100
do do 1st M. I. & M. D.	110	113	do equipment bds.	108¾	109¼
do do 1st M. I. & D.	109		New Jersey So. 1st m. 7s.		
do do 1st M. H. & D.	110		do consol 7s.		
do do 1st M. C. & M.	114	116	N. Y. Cent. 6s, 1883		
do do consolidated s f.	111	111	do do 6s, 1887		
do do 2d mortgage 7s.			do do 6s, real estate		
Chic. & N. W. sinking fund.	110	111¼	do do 6s, subscription		
do do int. bonds.	104	105	do do & Hud 1st m c.		
do do cons. bonds.	121	122	do do do 1st m reg.	127	127
do do exten. bonds.		110¼	Hud. Riv. 7s 2d m s f 1885	110¼	
do do 1st mortgage.	109	110½	Harlem 1st m 7s coupon	125	
do do coup'd bonds.	115¾	116¼	do do reg'd.	123¼	125
do do reg'd do	115¾		North Missouri 1st mort.		
Iowa Midland 1st m. 8s.	115	121	Ohio & Miss cons s f.	114¼	
Galena & Chicago extension.			do consolidated.	114	115
Peninsula 1st m. conv.		116	do 2d do	107¼	109
Chicago & Mil. 1st m.	114		do 1st Springfield div.	75	81
Winona & St. P. 1st mort.	109		Pacific R R bonds.		
do do 2d mort.	112¼	115	Cent Pacific gold bonds.	112¼	113¼
C. C. C. & Ind's 1st m. 7s s. f.	118¼	119	do San Joaquin branch	103¾	104½
do consol. M. bonds.	108¼		do Cal & Oregon 1st	104¼	106
Del., Lack. & W. 7s conv.	101¼		do State aid bonds	106	
do do m. 7s.	118¾		do land grant bonds	105	
Morris & Essex 1st mor.	129		Western Pacific bonds.		108¼
do do 2d do	113¼	114	Union Pacific 1st m bds.	112¼	113¼
do bonds, 1900.	103	110	do land grants. 7s.	111¼	112
do constr'n	100	107	do sinking fund.	115¾	115½
do do 7s of 1871.	111		Pacific R of Mo. 1st m.	106	
do do 1s con. gd.	106		do 2d m. 7s.	108¼	108¼
Del. & Hud. Can. 1s 7s. 1884	105	106	do Income 7s.		
do do 1891	109	110	do 1st Carnot's B.		
do Coup. 7s 1894	109	110	Pennsylvania R R		
do Regis'd 7s 1894	108		Pitts. Ft W & C 1st m	127	131
Albany & Susq. 1st 7s		115½	do do 2d m.	125¼	127
do do 2d do			do do 3d m.	119	120
do do 3d do	109¼		Cleve & Pitts cons s f.	118¾	119¼
do do 1st c gua'd.	109¼	110	do do 4th do	110¼	114
Rens'r & Sara. 1st 7s. Coup.			Col. Chic & Ind 1st m.	80	
do do 1st reg'd 7s		128	do do 2d m.		
Erie 1st mort. extended.	122		Rome, Water'n & Og con 1	54	56
do 1st do endorsed			St. L. & Iron M 1st m.	114	114¼
do 2d do ex. 5s, 1919	106¾		do do 2d m.	98	98½
do 3d do 7s, 1883	106¼	107¼	St. L. Alton & Terre Haute		
do 4th do 7s, 1880	102½		Alton & Terre Haute 1st 7s.	112	
do 5th do 7s, 1888		109½	do 2d do pref.	102¼	105
do 7s cons. m'ge gd bds.	117¼		do 2d do inc.		90
Long Dock Bonds	114¼		Bell & S. Ill R. 1st m 8s.	110	
B., N. Y., & E. 1st m 1916	121		Tol. Peo & War, 1st E D	128	128
Han. & St. J. 8s convertible m.	107		do do do W D	126¾	128
Illinois Central.			do do do Burl div.		
Dub. & Sioux City 1st m.	103		do do do 2d m.	50	
do do do 2d div	110¼		do do do consol 7s.	50	
Cedar Falls & Minn. 1st m.	107		Toledo, Wabash & Western		
Indp's Bloomn & W'n 1st p.	114		Tol & Wab 1st m ex.	113	
do do do 2d	60¾	62	do do Ex coupon.		
Lake Shore Bonds			do do 1st m St L div.	102	104
			do do Ex mat'd coup.		

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid	skd d
Tol & Wab 2d m.....	98	99	Kal, Alleghan & G R 8s gr.....	110	115
do Ex & Nov 77 coup.....	...	...	Kal & White Pigeon 7s.....	105	110½
do equipment bonds.....	30	40	Kansas City & Cameron 10s.....	115	120
do cons conv'ble.....	94½	94½	Kan Pac 7s ex Ma & No g.....	...	...
do Ex Aug 78 & priv's.....	107	110	do 7s land gr Ja & Jy g.....	...	...
Gt West'n 1st m 7s 1888.....	...	...	Kan Pac 7s do 2d m.....	...	...
do Ex coupon.....	...	...	do 6s gold June & Dec.....	...	...
do 2d 7s 1888.....	97	...	do 6s gold Feb & Aug.....	...	...
do Ex & Nov 77 coup.....	...	...	do 7s Leaven Branch.....	...	...
Quincy & Tol 1st m, 1880.....	104½	...	do Income No 11.....	...	...
do Ex M & Nov 77 c p.....	...	...	do No 16.....	...	...
Illinois & S Iowa 1st m 7s.....	103½	...	do stock.....	...	...
do Ex coupon.....	...	...	Michigan Air Line 8s.....	100	110
Han & Cent Mo 1st m.....	...	...	Mil & North 1st m 8s.....	70	80
Pekin, Linc'n & Decat'r 1st m.....	...	...	Mo, Kan & Tex assent'd bds.....	101½	108
West'n Un bds, 1900, c'pon.....	113	115	do 2d Inc.....	56	57
do do do reg.....	112	113½	N. J. Midland 1st 7s gold.....	90	95
MISCELLANEOUS LIST.			N. Y. & J. 7 s. c'n. gold.....	5	7½
Arkansas Levee 7s.....	6	8	Omaha & S West'n R R 8s.....	115	120
Atchison & P Pk 6s gold.....	118½	117½	Oregon & Cal 7s gold.....	28	30
Atchison, Top & S F 7s, g.....	108	107	Oswego & Rome 7s guar.....	100	110
Cairo & Fulton 1st 7s.....	104	105	Ott, Oswego & Fox R V 8s.....	...	...
California & Oregon 6s g'd.....	105	115	Pitts, Cin & St Louis 1st 7s.....	113	115
California Pac R R 7s gold.....	100	110	Pt Huron & L M 7s g end.....	35	40
do 6s 2d m gold.....	100	103	Quincy & Warsaw 8s.....	54	56
Central Pac 7s gold, conv.....	105	108	Rome, W & Ogdensburg 7s.....	105	110
do land grant.....	97	99	Sand, Mans & Newark 7s.....	...	...
Cent of Iowa 1st M 7s now.....	113	115	Sioux City & Pacific 6s.....	...	...
Chi & Southwestern R R 8s.....	99	100	South Side (L I) 7s.....	100	105
Chi & Eastern Ill. 1st 6s.....	60	65	Southern Central N Y 7s.....	70	85
do do income 7s.....	55	65	Steuenville & Indiana 6s.....	101	104
Chi & Mich Lake Shore 8s.....	100½	102	Southern Minn construc 8s.....	110	115
Chi & Can South 1st m g 7s.....	99	100	St. Jo & C Bl 1st m 10s.....	...	...
Chi, St. P. & Min 1st M 6s.....	80	90	St. Louis, Vanda & T H 1st.....	...	...
do land grant 6s.....	67	75	do 2d.....	...	...
Cin, Rich & F W 1 m g 7s.....	35	45	St L & S Eastern 1st 7s gold.....	100	110
Cleve, Mt V & Del 7s gold.....	105	110	Union Pacific So br 6s gold.....	95	100
Connecticut Valley 7s gold.....	80	90	Union & Logansport 7s.....	100	103
Connecticut Western 1st 7s.....	67	75	Texas & Pacific L G 7s.....	57	59
Col & Hock Val 1st 7s 30 ys.....	105	110	CINCINNATI.		
Dan, Urb, Bl & P 1st m 7s g.....	80	85	STATE CO. AND CITY BONDS.		
Denver Pacific 7s gold.....	100½	100½	Ohio State 6s.....	111	112
Deny and Rio Grande 7s g.....	100	102½	Hamilton County 6s.....	105	...
Det, Hillsdale & Ind R R 8s.....	100	105	do do 7s.....	110	...
Dixon, Peoria & Han 8s.....	100	105	City of Cincinnati 6s.....	108	...
Erie & Pittsburgh 1st 7s.....	100	105	do do 7s.....	120	122
Evans & Crawfordsville 7s.....	82½	85	do do 7 3-10.....	124	125
Evans, Hend. & Nashville 7s.....	102	108	City of Covington, Ky 6s '81.....	102	...
Evansville, T & H Chic 7s g.....	70	72½	do do 7 3-10, '81.....	102	104
Flint & Pere M 7s land grant.....	105	110	RAILROAD BONDS.		
do 7s consol.....	105	110	L Miami & I & C con 6s.....	98	99
Fort W, Jackson & Sag 8s.....	109	110	do do 1st 6s '83.....	102	x103
Grand River Valley 8s.....	109	110	Cin, Ham & Day 1 m 7s '80.....	105	x106
G'd Rapids & Ind 1 guar 7 g.....	103	108	do do 2 m 7s '85.....	...	...
Houst. & Gt N. 1st m g 7s.....	...	...	do do 3 m 8s.....	101½	101½
Houst. & Tex. C. 1st M L.....	...	...	Dayton & Mich, 1 m 7s '81.....	105	105½
do 1st W D.....	...	...	Dayton and Mich, 2 m 7s '84.....	x100	...
do Con. 6s.....	113	115	do do 3 m 7s '88.....	92	...
Ill Grand Trunk 8s.....	100	103	Cin, Rich & Chi, 1 m 7s '95.....	x100	...
Ind, Bl & W Ext 1st m g 7s.....	...	...	Cin, Han & Ind 1st m gr 7s.....	87	90
Indianapolis & Mad. 1st m 7s.....	...	...	do do 2d m 7s '95.....	30	32
Int' national R R Tex 1 m g 7s.....	...	...	Indianap & Cin 1st m 7s '88.....	105	110
Ind. Bl. & W., 1st 7s, pref.....	...	...	Cin & In guar 1st m 7s '92.....	105	110
do 1st.....	...	...	do 2d m 7s '77 '82.....	75	100
do 2ds.....	...	...	Indianap C & L 1st m 7s '97.....	x101	102
do Income.....	...	...	Day & W 1 m, 1881.....	...	100
do stock.....	105	110	do 2 m, 1905.....	...	...
Indianapolis & Vinc's 1st 7s gr.....	80	90	MISCELLANEOUS STOCKS.		
Indianapolis & St. Louis 7s.....	105	110	Columbus & Xenia.....	128½	129
Io Falls & Sioux City 1st 7s.....	105	110	Cin, Ham & Dayton.....	71	72
Jack, Lansing & Sag. 1st m.....	111	...	Dayton & Mich 3½ guar.....	52	x58
Jeff'ville, Mad & Ind 1st m 7s.....	...	...	Little Miami.....	50	123
Kala' zoo & South H 8s guar.....	...	...	

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid	Askd
Marietta & Cin 1st pref.....	50	5	Rich and Danv 1st con 6.....	102	.....
do do 2d do.....	50	3	do do Piedmont 8s.....	110	112
Cin Gas Light & Coke Co....	100	165 186	do do 1st 8s.....	.....	.....
SOUTHERN SECURITIES.			Southside Va 1st m 8s.....	109	111
CITIES.			do do 2d m guar 6s.....	100	.....
Atlanta, Ga 7s.....	104	108	do do 3d m 6s.....	90	.....
do do 8s.....	108	112	do do 4th m 8s.....	.....	.....
Augusta, Ga 7s bonds.....	104	108	Southwest R R, Ga 1st m.....	108	108
Charleston stock, 6s.....	69	71	do do stock.....	105	108
Charleston, S. C. 7s F L bonds..	105	108	S. Caro R R, 1st m 7s, new.....	102	.....
Columbia, S. C. 6s.....	50	60	S. Caro R R 6s.....	30	35
Columbia, Ga. 7s bonds.....	80	90	do do 7s 2d.....	71	74
Lynchburg 6s.....	100	103	Virginia and Tenn 2d 6s.....	102	104
Macon 7s bonds.....	80	90	do do 3d 8s.....	115	117
Memphis bonds 6s.....	29	33	West Ala, 8s guar.....	109	112
do new consols.....	40	50	Wilmington and Weldon 7s.....	109	112
do end, M & C R R.....	27	.....	PAST DUE COUPONS.		
Mobile 5s.....	25	.....	Tennessee State coupons.....	10	20
do 8s.....	25	.....	Virginia consol coupons.....	87	92
Montgomery 8s.....	30	.....	Memphis city coupons.....	20	.....
Nashville 6s old.....	95	102	South Carolina consols.....	.....	.....
do 6s new.....	95	.....	BOSTON.		
New Orleans 5s.....	28	30	STATE BONDS.		
do consol, 6s.....	35	40	Maine 6s 1889.....	113%	.....
do bonds, 7s.....	30	.....	N. Hampshire 6s 1870-84.....	114%	.....
do to railroads 6s.....	32	.....	Vermont 6s, 1874-78.....	.....	.....
Norfolk 6s.....	100	105	Massachusetts 5s, 1883, g.....	100%	.....
Petersburg 6s.....	102	104	CITY BONDS.		
Richmond 6s.....	104	107	Boston 5s, 1890-93, gold.....	111%	.....
Savannah 6s.....	73	76	do do 6s, currency.....	116	.....
RAILROADS.			Chic 7s, 1890-95, riv. impr.....	114	.....
Atlantic & Gul, consol.....	102	104	do do 1884.....	105	.....
Central Georgia cons. 7s.....	110	112	RAILROAD STOCKS AND BONDS.		
do do stock.....	80	85	A T and Santa Fe, 1st m 7s.....	116%	.....
Charlotte Col & A, 1 m 7s.....	105	107	do do L G.....	113%	114
do do stock.....	38	41	do do stock.....	.....	119%
E Tenn & Georgia 6s.....	99	101	Bost and Alb'y 6s, '75 (W RR).....	113	.....
East Tenn, Va & Geo 1st m 7s..	107	110	do do 7s, 1892.....	122	.....
do do stock.....	80	.....	do do stock.....	144%	.....
Georgia R R 7s.....	110	.....	Boston and Lowell 7s, 1892.....	90%	91
do stock.....	100	102	do do stock (par 50).....	125	.....
Greenville & Col 7s guar.....	100	110	Boston and Providence, stock.....	139	.....
do do 7s certiff.....	98	110	Bur & Mo R 7s, '93, land grant.....	114%	115
Macon & Western Stock.....	102	106	do do 8s, 94, conv.....	107%	108
Macon & Augusta bonds.....	95	.....	do do 8s, 93 (in Neb).....	110%	114
do do endorsed.....	100	105	Chicago, Bur and Quincy.....	.....	.....
Memphis & Charleston 1st 7s.....	102	104	Bur & Mo Riv stock (in Neb).....	105	.....
do do 2d 7s.....	98	102	Cheshire 6s, 1898.....	52	.....
do do stock.....	29	31	do do preferred stock.....	90	.....
Mississippi Central 1st m 7s.....	105	107	Cin, San, and Cleve, 7s, 1890.....	10%	.....
do do 2d m 8s.....	107	109	do do com stk (par 50).....	110	111
Mississippi & Tenn 1 m.....	113	115	Concord stock (par 50).....	60	65
do do cons. 8s.....	100	102	Conn and Pass Rivs 7s, 1893.....	.....	.....
Motg'y and West P. 1st 8s.....	103	106	do do 7s, notes.....	123	28
do do 1st end.....	80	.....	Connecticut River, stock.....	.....	.....
Mobile and Ohio Sterling.....	80	.....	Eastern stock.....	123	.....
do do do ex cts.....	80	.....	Fitchburg, stock.....	.....	.....
do do 8s interest.....	40	.....	Manch and Lawrence stock.....	112%	.....
N Orleans and Jackson 1st m.....	110	112	Nashua and Lowell, stock.....	97	97%
do do 2d m.....	110	112	Northern (N. H.) stock.....	136	.....
Nash and Chattanooga 6s.....	98	102	Norwich and Worcester stock.....	.....	27
Norfolk and Petersb 1st m 8s.....	103	105	Ogdenburg and L Champ stock.....	.....	.....
do do 2d do.....	102	104	do do pref stock.....	112%	112%
Northeastern, S C, 1st m 7s.....	125	130	Old Colony stock.....	70	.....
do do 2d do.....	110	.....	Phil, Wil & Balt stock (par 50).....	106	.....
Orange and Alex 1st 6s.....	105	.....	Portl, Saco & Portsmouth st'k.....	23%	24
do do 2d 6s.....	83	87	Portsmouth, Gt F & Con'y s.....	.....	.....
do do 3d 8s.....	83	90	Rutland pref. stock.....	.....	.....
do do 4th 8s.....	.....	.....	Vermont and Canada stock.....	.....	.....
Rich and Peters'b 1st m 7s.....	102%	105	Vt. Ct. 1st m 7s, 1896 cons.....	.....	.....
do do 2d m 6s.....	102	.....	do do 8s, '91.....	.....	.....
do do 3d m 8s.....	102	.....		
Rich and Fred'b do con 7s.....	105	.....		

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid	Askd	SECURITIES.	Bid	Askd
Vermont and Mass.	103 $\frac{1}{2}$	104	West Penn 6s, coup, 1893.	105	105
do do stock.	118 $\frac{1}{2}$	120	do do 6s. p b c, 1896.	105	106
Worcester and Nashua.	56				
MISCELLANEOUS STOCKS.					
Boston Land Co.	57 $\frac{1}{2}$	6	CANAL BONDS.		
Boston Water Power.	69 $\frac{1}{2}$	67 $\frac{1}{4}$	Lehigh Nav. m 6s, r 1884.	105	105
Pullman Palace Car.	111		do M. R. R. r. 1897.	109	112
			do M. conv g. r. 1894.	106	108 $\frac{1}{2}$
PHILADELPHIA.			do M. gold. r. c. 1897.	100	101 $\frac{1}{2}$
STATE AND CITY BONDS.			do cons m 7s r, 1911.	101	101
Penn. 5s, new, reg. '92 1902.	114 $\frac{1}{2}$	115	Schuyl. Nav. 1st m 6s, reg 1897.	55	75
do 6s, 10-15, reg. '77 1882.	101 $\frac{1}{2}$	109	do 2d do r. 1907.	79	80
do 6s, 15-25, reg. '82 1892.	107 $\frac{1}{2}$	109	do m 6s, coup. 1895.	60	75
Philadelphia 6s, old.	107		do 6s, bt&car r 1913.	70	70
do 6s, new, over 1895.	126 $\frac{1}{2}$		do 7s, bt&car r 1915.	70	
Pittsburg 5s, reg. 1913.	95				
do 7s, water loan.	119		RAILROAD STOCK.		
do 7s, street improv.	106		Camden & Atlantic pref.	50	26
			Catawissa.	50	159 $\frac{1}{2}$
RAILROAD BONDS.			do pref.	50	33
Allegheny V R R 7-10, '96.	116 $\frac{1}{2}$	117	do new pref.	50	40 $\frac{1}{2}$
Bel & Del R R, 1st m 6s, 1902.	112	115	Elmira & Williamsport.	50	34
do 2d do '85.	107 $\frac{1}{2}$		do do pref.	50	50
do 3d do '87.	111		Lehigh Valley.	50	49 $\frac{1}{2}$
Cam & Amboy R R 6s, 1883.	105	105	Little Schuylkill.	50	40
do do do 6s, 1889.	107 $\frac{1}{2}$		Minehill.	50	56
do do do m 6s, 1889.	111 $\frac{1}{2}$	111 $\frac{1}{2}$	Nesquehoning Valley.	50	54 $\frac{1}{2}$
Cam & A. T. 1st m 7s, gold, 1893.	121		Norristown.	50	102 $\frac{1}{2}$
do do 2d do cur, 1879.	113		Northern Pacific.	23 $\frac{1}{2}$	23 $\frac{1}{2}$
Cataw R R new 7s, 1900.	108	110	do pref.	46	46 $\frac{1}{2}$
Connecting R R 6s. cp. 1900.	108	110	North Pennsylvania.	50	48 $\frac{1}{2}$
Del & B B R 1st m. 7s, 1905.	115 $\frac{1}{2}$		Pennsylvania.	50	59 $\frac{1}{2}$
El. & Wmsp't R R, 1 m, 7s, '80.	108	110	Philadelphia & Reading.	50	10
do do 5s c. perpe'l.	82	84	Pitts. Titus. & Buffalo.	13 $\frac{1}{2}$	14
H. & B. T. 2d m 7s, gld 1895.	107 $\frac{1}{2}$	110	St. Paul & Duluth.	37	
do 3d do cur. 1895.	64		do pref.	57	60
Lehigh Valley, 1st m, 6s, c. '98.	115	119	United Cos. of N. J.	100	159 $\frac{1}{2}$
do do r g '98.	115	115 $\frac{1}{2}$			
do 2d m, 7s, reg 1910.	126	127	CANAL STOCKS.		
do cons m, 6s reg 1923.	109		Lehigh Navigation.	50	25
do do 6s, coup. 1923.	108	110	Morris Canal grd 4 p c.	100	
N Cent. 2d gd. m. 5s, cp'n 1926.	80		do preferred 10 p c.	100	
North Penn, 1st m 6s, c 1885.	108		Schuylkill Navigation.	6	
do 2d m 7s, c. 1896.	118 $\frac{1}{2}$	118 $\frac{1}{2}$	do do pref.	11	13
do gen. m 7s, c. 1906.	116	117			
do do reg., 1906.	116	118	BALTIMORE.		
Oil Creek 1st m 7s, coup '82.	98 $\frac{1}{2}$	100	Maryland 6s, defence, J. & J.	108	
Pittsb'h Titus & Buff 7s, c. 1896.	74	81	Virginia 10-40s. J. & J.	39 $\frac{1}{2}$	39 $\frac{1}{2}$
P & N Y C. & H. R. 7s, r&c 1896.	124	126	do deferred, J. & J.	6 $\frac{1}{2}$	7
Penna. 1st mort 6s, c. 1880.	103	103 $\frac{1}{2}$	do consol. do.	55 $\frac{1}{2}$	56 $\frac{1}{2}$
do gen do 6s, c. 1910.	116 $\frac{1}{2}$	117 $\frac{1}{2}$	do do 2ds do.	22 $\frac{1}{2}$	24
do do do 6s reg 1910.	116	118	do consol coup, p due.	94	
do cons m, 6s reg. 1905.	112	113	do do June 1889.		
Phila & Erie 1st mort 6s c 1881.	101	102	N. Carolina 6s, Jan. & J., old.	28	30
do 2d mort 7s, c 1888.	110		Tennessee 6s, do old.	35	37
Phila & Reading 1st m 6s, 1880.	102 $\frac{1}{2}$		do 6s, do new.	27	29
do 2d m 7s, c 1893.	111	115 $\frac{1}{2}$	do do n. s.	27	29
do cons m 7s c 1911.	102 $\frac{1}{2}$	108	Balt. 6s, J., A., J., O., 1890.	113 $\frac{1}{2}$	114
do do m 7s r 1911.	100	115	do 6s, J. & J., 1902.	121	
do do 6s, g r & c 1911.	107 $\frac{1}{2}$		do 5s, M. & N., ex., 1916.	111 $\frac{1}{2}$	112 $\frac{1}{2}$
Pitts. Cinn. & St. L 7s c 1900.	115		Memphis City 6s, J. & J., n.	100	
Tex & Pac 1st m. 6s, g 1905.	100	105	Balt. & Ohio, May & N.	146	149
do cons m 6s, g 1905.	92 $\frac{1}{2}$	98	do 1st preferred.	116	120
Un & Titus 1st m, 7s, 1890.	80		do do.	108	110
War. & F. 1st mort. 7s, c 1896.	102	102	Northern Central. M. & N.	50	30
West Jersey 6s, d coup 1883.	103	103 $\frac{1}{2}$	Central Ohio, June & Dec.	50	40
West Jersey 1st mort 6s, c 1896.	114	120	do preferred.	50	49
do do 7s, r & c '99.	110	120	City Passenger R'y, J. & J.	36	38

STOCK AND BOND QUOTATIONS.

SECURITIES.	Bid.	Askd	SECURITIES.	Bid	Askd
Balt. & Ohio 6s, 1880, J. & J.....	102	102½	Louisville Bridge Co. 7s.....	*109	110
do 1885 A. & O.....	106	107	RAILROAD BONDS.		
Pitts. & C. 1st 7s, 1898, J. & J.....	114½	114½	Greensbury Branch.....	*108	*109
N. Cent. 6s, 1885, J. & J.....	106	107	Louis. and Nash. Leb. Br.....	*101	102
do 6s, 1900, A. & O.....	109		Louis. and Nash. Cons.....	*115	
do 6s, gold, 1890, J. & J.....	109½	110	L. and N. 2d mort.....	*104	*105
Cen. O. 6s, 1st m., 1890, M. & S.....	108	110	Louis., Cin. and Lex. 1 m 7s.....	*114	*115
South Side, 1st 8s, J. & J.....	106	108	do do 2 m 7s.....	*105	106
do 2d 6s, do.....	98	100	Jefferson. M. and I. 1st m 7s.....	*114	115
do 3d 6s, do.....	93	97	do do 2d m 7s.....	104	105
Cin. & Baltimore 1st 7s.....	106		Eliz. and Paduc. 1st m. 8s.....		
W. M. 1st m 6s gu. 1890, J. & J.....	115		E. and P. Louisville Br'ch 7s.....		
do 1890, J. & J.....	108	110	Shelby, 1st mortgage 6s.....	101	102
W. Maryland 2d m (pref).....	98	100	Owensboro and Russel, 1 m 6s.....		
W. M. 2d m. 6s gu. by W. Co.....	108		MISCELLANEOUS BONDS.		
M. & Cin. 1st m 7s F and A 1892.....	107	108	Kentuc. State bonds (old) 6s.....		
do 2d m 7s M. and N.....	66½	67	do do (new) 6s.....		
M. & Cin. 3d m 8s 1900 J. and J.....	28½	28½	New Albany City.....	*107	
Rich. & Dan. 1st m. M. and N.....	102		Water Works bonds, 6s.....	*107	108
Union R. R., End. Cant. Co.....	112	113	Louisville Transfer Co. 8s.....	*108	108
Canton Co., 1st 6, gold, J. and J.....	110	110½	STOCKS.		
Orange, Alex. and Mn's 7s do.....	75	80	Louisville and Nashville R. R.....	135	140
Orange & A. 1st 6s, M. and N.....	100		Gas Company stock.....	110	111
do 2d 6s, J. and J.....	100		Louisville Bridge Co. stock.....	112	113
do 3d 8s, M. and N.....	75	80	ST. LOUIS.		
do 4th 8s, M. and S.....		47	CITY AND COUNTY BONDS.		
Virginia & Tenn 6s 2d J. and J.....	102	120			
do 8s, J. and J.....	116	115	City water (ls. '67) 6s gold.....	107½	
W. & W. 7s gold 1890 J. and J.....	55½	56½	City water (ls. '70) 6s gold.....	107½	
W. and Columbia and Aug. 7s.....	102	110	City water (ls. '72) 6s gold.....	108	
Ohio & Miss. 2d 7s, A. & O.....	184	190	City sewer (ls. '73) 6s gold.....	108½	
Balt. Gas, J. and Dec.....	100		City park 6s gold.....	108	
do gold certif.....	100		City bdg approach 6s gold.....	108½	109
People's Gas, J. and J.....	25	25½	City 6s Currency.....	107	
Consumer's Gas.....	7	7½	County 6s, gold various.....	108	
do gold 6s, J. & J. 1892.....	105		County 6s, gold of 1892.....	108	
Georges Creek Coal, J. & J.....		85	do do 1893.....	108½	
Chesapeake and O. Canal bonds.....	70		County 7s, Currency.....	109	
Balt. Warehouse Co, J. & J.....	19		RAILROAD BONDS		
Cincinnati 7-30s, J. and J.....			At. & Pac. 1st Cent. div.....		
Norfolk Water, 8s.....			Denver Pacific and Telegraph.....		
LOUISVILLE.			Kan. Pac. 1st m. F. and A.....		
CITY AND CANAL BONDS.			do 1st m. J. and D.....	117	118
City improvement 6s.....	*104½	105½	do 1st m. (Lea. br.).....		
do bounty 6s.....	*104½	105½	do income No. 11.....		
do school 6s.....	*104½	105½	do income No. 16.....		
do wharf (old) 6s.....	*104½	105½	do (Den. ext.) 1 m.....		
do do (new) 6s.....	*104½	105½	Kan. Pac., 1st m. L. G. 7s.....		
do water works (old) 6s.....	*104½	105½	Missouri Pacific 1st mort.....	107	108
do do (new) 6s.....	*104½	105½	do do 2d do.....	109½	110½
do L. and N. R. R. (M. S.) 6s.....	*104½	105½	North Missouri, 1st mort.....	116½	117
do L. and N. R. R. (L. E.) 6s.....	*104½	105½	RAILROAD STOCKS.		
do E. and P. R. R. 7s (old).....	*108	*109	St. Louis & San Francisco.....		
do E. and P. R. R. 7s (new).....	*111	112	do do pref.....		
do old liabilities due 1890.....	*101		do do 1st do.....		
do St. Louis A. L. R. R.....	*108	*107	Kansas Pacific.....		
Canal bonds, 3d issue, 6s.....	*100	*107	Pacific of Missouri.....		
do 4th issue, 6s.....	*108	*107	St. L. Kan. C. and Nort. pref.....		
			do do common.....		

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